



Memory Express Certificate

Linked to Ferrari NV

Issued by UBS AG, London Branch



Cash settled / EUR

EUSIPA Product Type: Express Certificate (1260)

WKN: UT6TNQ/ ISIN: DE000UT6TNQ8

Public Offer

Final Termsheet

Information on Underlying

Underlying(s)	Reference Level	Early Redemption Level / Barrier	Coupon Default Level	Kick-In Level
Ferrari NV Bloomberg: RACE IM Equity / Reuters: RACE.MI ISIN: NL0011585146	XX.XX (Official closing price of the Underlying on the Fixing Date)	XX.XX (100.00% of the Reference Level)	XX.XX (70% of the Reference Level)	XX.XX (60% of the Reference Level)

Product Detail

Security Numbers	ISIN: DE000UT6TNQ8 Valor: 30826912 WKN: UT6TNQ
Issue Size	Common code: 134742399 up to 30,000 (with reopening clause)
Redemption Currency	EUR
Selling Commission	Up to 2.00%
Nominal Amount	EUR 1,000
Issue Price	EUR 1,000 (units quotation)
Quoting	Dirty (accrued coupon will be included in the secondary price)

Dates

Launch Date	21 January 2016
Subscription Period	21 January 2016 – 15 February 2016 (16:00h C.E.T)
Fixing Date*	15 February 2016
Issue Date / Initial Payment Date*	22 February 2016
Last Trading Date	13 February 2018
Expiration Date	15 February 2018
Redemption Date	22 February 2018
Banking Day	TARGET2

* If the Fixing Date is not an Underlying Calculation Date in relation to the Underlying or if a market disruption prevails, the immediately succeeding Underlying Calculation Date is deemed to be the relevant Fixing Date.

Coupon Payment

Coupon Amount	EUR 20.00 (2.00% of the Nominal Amount)	
Coupon Observation Dates	Coupon Observation Date ₍₁₎ Coupon Observation Date ₍₂₎ Coupon Observation Date ₍₃₎ Coupon Observation Date ₍₄₎ Coupon Observation Date ₍₅₎ Coupon Observation Date ₍₆₎ Coupon Observation Date ₍₇₎ Coupon Observation Date ₍₈₎	16 May 2016 16 August 2016 15 November 2016 15 February 2017 15 May 2017 16 August 2017 15 November 2017 15 February 2018
Record Date	The Record Date means 1 Banking Day before the relevant Coupon Payment Date _(n) .	
Coupon Payment Date	The Coupon Payment Date means the fifth Banking Day after the relevant Coupon Observation Date _(n) .	

Coupon Period	The Coupon Period means the period from a Coupon Observation Date (excluding) to the next succeeding Coupon Observation Date (including). The initial Coupon Period will be the period from the Fixing Date (excluding) to the first Coupon Observation Date (including).
Coupon Default Level	XX.XX (70% of the Reference Level)
Coupon Amount Default Event:	A Coupon Amount Default Event in relation to a Coupon Observation Date _(n) occurs if the Price of the Underlying is lower than the Coupon Default Level on the Coupon Observation Date _(n) .
Coupon Catch-up Level:	XX.XX (70% of the Reference Level)
Coupon Amount Catch-up Event:	A Coupon Amount Catch-up Event in relation to a Coupon Observation Date _(n) occurs if the closing price of the Underlying is equal to or higher than the Coupon Catch-up Level on the Coupon Observation Date _(n) .
Price of the Underlying	Closing price of the Underlying on the relevant exchange
Coupon Payment	<p>The Securityholder is entitled to receive the payment of the Coupon Amount in the Redemption Currency on the relevant Coupon Payment Date_(n), provided that the Securities did not expire early due to the occurrence of an Early Redemption Event and that no Coupon Amount Default Event has occurred in relation to this Coupon Period.</p> <p>For the avoidance of doubt, any payment due in respect of the Coupon Amount in relation to the Early Redemption Date_(i) shall still be paid out.</p> <p>In case of the occurrence of a Coupon Amount Default Event, the Securityholder will not receive payment of the Coupon Amount in relation to the relevant Coupon Observation Date.</p> <p>If one or more Coupon Payments have not been paid, the sum of these Coupon Payments will be paid on the next following Coupon Payment Date, provided that no Coupon Amount Default Event has occurred on the relevant Observation Date (additional to the Coupon Payment for this Coupon Payment Date) and if a Coupon Amount Catch-up Event has occurred, 5 Banking Days after the respective Observation Date.</p>
Coupon Entitlement	Upon the occurrence of an Early Redemption, the product will terminate in whole and there will not be any further Coupon Payments for any outstanding Observation Dates. For the avoidance of doubt, any payment due in respect of the Coupon Payment as of the relevant Observation Date on which an Early Redemption is deemed to have occurred shall still be paid out.

Early Redemption

Early Settlement Amount	Nominal Amount														
Early Redemption Observation Date	<table> <tr> <td>Early Redemption Observation Date₍₁₎:</td><td>16 May 2016</td></tr> <tr> <td>Early Redemption Observation Date₍₂₎:</td><td>16 August 2016</td></tr> <tr> <td>Early Redemption Observation Date₍₃₎:</td><td>15 November 2016</td></tr> <tr> <td>Early Redemption Observation Date₍₄₎:</td><td>15 February 2017</td></tr> <tr> <td>Early Redemption Observation Date₍₅₎:</td><td>15 May 2017</td></tr> <tr> <td>Early Redemption Observation Date₍₆₎:</td><td>16 August 2017</td></tr> <tr> <td>Early Redemption Observation Date₍₇₎:</td><td>15 November 2017</td></tr> </table>	Early Redemption Observation Date ₍₁₎ :	16 May 2016	Early Redemption Observation Date ₍₂₎ :	16 August 2016	Early Redemption Observation Date ₍₃₎ :	15 November 2016	Early Redemption Observation Date ₍₄₎ :	15 February 2017	Early Redemption Observation Date ₍₅₎ :	15 May 2017	Early Redemption Observation Date ₍₆₎ :	16 August 2017	Early Redemption Observation Date ₍₇₎ :	15 November 2017
Early Redemption Observation Date ₍₁₎ :	16 May 2016														
Early Redemption Observation Date ₍₂₎ :	16 August 2016														
Early Redemption Observation Date ₍₃₎ :	15 November 2016														
Early Redemption Observation Date ₍₄₎ :	15 February 2017														
Early Redemption Observation Date ₍₅₎ :	15 May 2017														
Early Redemption Observation Date ₍₆₎ :	16 August 2017														
Early Redemption Observation Date ₍₇₎ :	15 November 2017														
Early Redemption Date	The Early Redemption Date means the Early Redemption Observation Date _(i) , on which the Early Redemption Event occurs.														
Early Redemption Event	An Early Redemption Event occurs if the Price of the Underlying is on any of the Early Redemption Observation Dates equal to or higher than the Early Redemption Level .														
Early Redemption	In case of the occurrence of an Early Redemption Event , the Securities will expire early on the respective Early Redemption Date, and the Securityholder is entitled to receive five Banking Days after the Early Redemption Date the Early Settlement Amount commercially rounded two decimal places.														

Redemption

Settlement Price	Closing price of the Underlying on the Expiration Date
Kick-In Event	A Kick-In Event occurs if the Settlement Price of the Underlying is lower than the Kick-In Level .
Redemption	<p>The Issuer hereby warrants to the Securityholder the following right:</p> <p>If the Securities did not expire early</p> <p>a) and if a Kick-In Event has not occurred the Securityholder is entitled to receive the Nominal Amount.</p> <p>b) and if a Kick-In Event has occurred</p> <p>the Securityholder is entitled to receive the Settlement Amount calculated according to the following formula:</p> $S = N * \frac{Underlying_{Final}}{Underlying_{Initial}}$ <p>with</p> <p>"S" = Settlement Amount</p> <p>"N" = Nominal Amount per Certificate</p> <p>"Underlying_{Final}" = Closing price of the Underlying on the Expiration Date</p> <p>"Underlying_{Initial}" = Reference Level of the Underlying</p>

General Information

Issuer	UBS AG, London Branch
Issuer Rating	A1 Moody's / A S&P's / A Fitch
Lead Manager	UBS Limited
Calculation Agent	UBS AG, London Branch
Paying Agent	UBS AG, London Branch
Status	Unsecured / Unsubordinated
Listing	EuroTLX
Trading Hours	08:00 CET - 16:30 CET
Secondary Market	Daily price indications will be available on Reuters/Bloomberg and www.ubs.com/keyinvest .
Minimum Trading Lot	1 Certificate
Clearing	Euroclear, Clearstream Banking AG, Clearstream Banking S.A. (Global Note at Clearstream Banking AG)
Custody	Clearstream Banking AG eligible (up-to Global Note filed with Clearstream AG, Frankfurt am Main)
Public Offering	Italy
Form of Deed	Global Note
Governing Law / Jurisdiction	German / Frankfurt
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.
EU Savings Tax	For Swiss paying agents, the product is not subject to the EU Savings Tax (TK7).

The validity of the offer by the distributor vis-à-vis the Issuer is subject to the condition that the decision of admission to trading on EuroTLX is released by EuroTLX Sim S.p.A. by not later than on the day immediately preceding the Issue Date; otherwise, the offer by the distributor will be deemed withdrawn and the issuance cancelled. The Issuer undertakes vis-à-vis the distributor to file the relevant application with EuroTLX in due time to allow EuroTLX to release a decision, according to its rules, within the Issue Date (excluded). For the avoidance of

doubt: The Issuer explicitly excludes all and any liability for any direct, indirect or consequential loss arising from the rejection of the listing application.

Product Documentation

The complete information regarding the securities, in particular to the terms and conditions as well as information to the Issuer shall be obtained in the respective Final Terms. The respective Final Terms and the associated UBS Base Prospectus along with the Risk Factors (including any supplements thereto) can be ordered free of charge from UBS Deutschland AG at Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main, via +49-(0) 69-1369 8989, fax (+49-(0) 69- 72 22 73) or via e-mail (invest@ubs.com). In addition, the respective documents are available on the internet at <http://www.ubs.com/keyinvest>.

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 the termsheet 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 term sheet. 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 these notes to dealers and other financial institutions at a discount to the issue price or rebates to them for their own 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 is for information purposes only and 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 Notes (the "Prospectus").

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

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

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

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.

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. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

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 (Chapter 289) of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), 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; or
 - (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

UK - For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than EUR 100,000 or equivalent.

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