



# GT Asset Management AG Future Energies (USD) Strategy Certificates

## Final Termsheet

**Summary of the Terms and Conditions of the Strategy Certificates**  
**For additional product and risk information, please consult the Sales Prospectus.**

**WARNING - 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 the offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.**

### Product Details

Reference-Portfolio	<b>Future Energies (USD) Reference-Portfolio</b> (the " <b>Reference-Portfolio</b> ") a notional US dollar (" <b>USD</b> ") denominated reference portfolio, actively managed, created and maintained by GT Asset Management AG, Zurich (the " <b>Reference-Portfolio Advisor</b> "). The Reference-Portfolio aims to replicate (i) the performance of shares of global companies active in the energy sector. (the " <b>Constituents</b> ") and (ii) from time to time, a cash position (the " <b>Cash Position</b> "; which together with the Constituents shall be referred to as the " <b>Reference-Portfolio Components</b> "), less expenses. A quarterly update of the Reference-Portfolio, including top ten holdings, can be found on <a href="http://www.ubs.com/keyinvest">www.ubs.com/keyinvest</a> .
Conversion Value	One <b>GT Asset Management AG Future Energies (USD) Strategy Certificate</b> (the " <b>Certificate(s)</b> ") is equivalent to one times the Reference-Portfolio Level
Initial Reference-Portfolio Level	1,000.00 points
Initial Issue Price	USD 1,000.00
Initial Issuing Premium	2 %
Number of Strategy Certificates	Up to 50,000
Early Redemption by Issuer	The Early Redemption right is at the option of the Issuer in full.  Quarterly, i.e. as of each 31 March, 30 June, 30 September and 31 December (the " <b>Early Redemption Date</b> ") subject to at least 45 Business Days prior notice being given to the Certificate Holders at the relevant Early Redemption Amount. First possible Early Redemption Date will be the 30 December 2007.

**There is no Early Redemption right for the Certificate Holder.**

**Contact:** UBS AG, P.O. Box, 8098 Zurich

Equities Derivatives: Zurich: +41-44-239 16 10\*  
 Private Investors: 0848-911-011\*  
 E-Mail: [derivatives@ubs.com](mailto:derivatives@ubs.com)  
 Internet: [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest)

Please note that calls made to the numbers marked with an asterisk (\*) may be recorded. Should you call one of these numbers, we shall assume that you consent to this business practice.

Early Redemption Amount      An amount in USD based on the weighted average of the Reference-Portfolio Levels over the last five Business Days prior to and including the Early Redemption Date, as further set out in the Terms and Conditions of the Certificate.

**Please note that the Early Redemption Amount may be less than the initially invested capital.**

Final Redemption Amount      An amount in USD based on the weighted average of the Reference-Portfolio Levels over the last five Business Days prior to and including the Maturity Date, as further set out in the Terms and Conditions of the Certificate.

**Please note that the Final Redemption Amount may be less than the initially invested capital.**

Reference-Portfolio Level      Reference-Portfolio Level on the Reference-Portfolio Valuation Date as further set out in the terms and conditions of the Certificates.

Reference-Portfolio Calculation      The Calculation Agent will calculate the level of the Reference-Portfolio for each Reference-Portfolio Valuation Date on the Reference-Portfolio Calculation Date. "**Reference-Portfolio Valuation Date**" means any Business Day. "**Reference-Portfolio Calculation Date**" means, in relation to a Reference-Portfolio Valuation Date, the Business Day immediately succeeding the Reference-Portfolio Valuation Date.

#### Dates

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Issue Date	15 August 2007
Trade Date	08 August 2007
Pricing Period	08 August 2007 until 15 August 2007
Payment Date	15 August 2007
Last Trading Day	09 August 2017
Maturity Date	16 August 2017 (subject to Market Disruption Event provisions), extendable at the option of the issuer for additional 5-year periods, on a rolling basis, with a notice period of 180 calendar days.
Closing Date (for Swiss tax purposes)	1 January, for the first time 1 January 2008

#### General Information

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Issuer	UBS AG, London Branch
Issuer Rating	Aaa / AA+
Reference-Portfolio Advisor	GT Asset Management AG, Zurich
Calculation Agent	UBS AG, London Branch
Lead Manager	UBS AG, Zurich
Settlement	Cash settlement in USD
	Transfer of the Early Redemption Amount or of the Final Redemption Amount, as the case may be, will be caused within 5 Banking Days following the Early Redemption Date or the Maturity Date respectively.
	No physical delivery of the Reference-Portfolio Components is allowed.

Liquidity	<p>Daily bid/offer prices depending on size and market conditions with a spread of max. 2%.</p> <p>Indicative prices will be available on Reuters page UBSDEEW29.</p> <p>The sale of a Certificate by the Certificate Holder in the secondary market does not inevitably lead to a cancellation of the Certificate and the subsequent reduction in the issued amount.</p>
Rebalancing	<p>Any change in the Reference-Portfolio Components by the Reference-Portfolio Advisor after the Issue Date (the "<b>Rebalancing</b>").</p> <p>In case of a Rebalancing, trading of the Certificates will be suspended until completion of the Rebalancing.</p>
Reference-Portfolio Fees (calculated daily)	<p>Quarterly fee of 0.5575% plus certain expenses commonly to be associated with establishing, maintaining and rebalancing a portfolio similar to the notional portfolio mirrored by the Reference-Portfolio. The dates of the 0.5575% fee deduction are 31 March, 30 June, 30 September and 31 December (in case any of the dates is not a Business Day, the next following Business Day will apply).</p>
Listing	No Listing
Business Days	Any day on which the banks in London, New York and Zurich are open for business.
Banking Days	Any day on which TARGET and New York are open and Clearstream Banking AG, Frankfurt (" <b>CBF</b> ") settles payments.
Minimum Trading Lot	1 Certificate
Security No.	ISIN: CH0032717115    Valor: 3271711    WKN: UB5Z9V Common Code: 031256062
Form of the Certificates	Certificates will be issued in bearer form only. The Certificates will be represented by a Permanent Global Certificate, which will be deposited with CBF. Any claim for the delivery of definitive Certificates is excluded.
Law / Jurisdiction	German / Frankfurt
Clearing	Euroclear S.A., Brussels, Clearstream Banking S.A., Luxembourg, CBF (Permanent Global Certificate is deposited at CBF)

#### **Tax Information**

Swiss Federal Stamp Duty	For Swiss Federal Stamp duty purpose, the product is treated as analogous to a share in a foreign investment fund. Therefore, primary and secondary market transactions are in principle subject to Swiss Federal Stamp Duty (TK24).
Swiss Federal Income Tax	For private investors with tax domicile in Switzerland this product is treated analogous to a share in a foreign investment fund. The taxable income and capital gains/losses will be kept apart and will be reported to the Swiss Federal Tax Administration annually. Taxable income is subject to Swiss Federal, cantonal and communal income tax.
Swiss Withholding Tax	The product is not subject to Swiss withholding tax
EU Savings Tax Treatment	For Swiss paying agents, the product is not subject to the EU Savings tax (TK 9)

The tax information only provides a general overview of the potential tax consequences linked to this product at the time of issue. Tax laws and tax doctrine may change, possibly with retroactive effect.

#### **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 prospectus or corresponding document relating to this Product in such jurisdiction.**

**Investors are advised to read the selling restrictions described more fully in the relevant Terms and Conditions of this Product. 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. Holders of this Product should seek specific advice before on-selling this Product.**

**Europe** - For EEA jurisdictions (EU member states plus Norway, Iceland and Liechtenstein) that have implemented the EU Prospectus Directive, the Final Terms and Conditions for this Product qualify as a prospectus published in accordance with the requirements of the EU Prospectus Directive. However, unless and until a prospectus has been published in accordance with the requirements of the EU Directive, this Product may NOT be offered or sold in EEA jurisdictions that have implemented the EU prospectus Directive other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies) or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 offerees that are not Qualified Investors per EEA jurisdiction. A "Qualified Investor" is a legal entity that (i) is authorised or regulated to operate in the financial markets or has the sole purpose to invest in securities; or (ii) meets two of the following three criteria (as shown in its last annual or consolidated accounts): (a) an average number of at least 250 employees during the last financial year; (b) a total balance sheet of more than EUR 43,000,000; and (c) an annual net turnover of more than EUR 50,000,000.

For EEA jurisdictions that have not implemented the EU Prospectus Directive, sales must be in compliance with the law of that jurisdiction.

**Hong Kong** - This Product has not been offered and sold, and each purchaser represents and agrees that it will not offer and sell the Product in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy and sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong or to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance. In relation to the issue of this Product, each purchaser represents and agrees that it has not issued and will not issue any advertisement, invitation or document relating to the Product, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Product which is or is intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

**Singapore** - *The following applies subsequent to the coming into force of the amendments to Part XIII of the SFA (as amended by the Securities and Futures (Amendment) Act 2005).*

This Document has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Cap. 289) of Singapore ("SFA"). 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 the public or any member of the public in Singapore other than (i) to an institutional investor specified in Section 274 of the SFA, (ii) to a relevant person, 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.

In the event where this Product is subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investment 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 is an accredited investor; then the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired this Product under Section 275 except:
  - (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA;
  - (2) where no consideration is given for the transfer; or
  - (3) by operation of law.

**UK** - This Product should not be sold with a consideration of less than €50,000 or equivalent.

**USA** - This Product may not be sold or offered within the United States or to U.S. persons, the foregoing shall not, however, prohibit sales to U.S. offices of UBS AG.

## RISK INFORMATION

Certain conflicts of interests may arise from the fact that the Issuer, the Reference-Portfolio Advisor and the Calculation Agent as well as other advisers belong to the UBS Group.

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 is not subject to the supervision of the Swiss Federal Banking Commission (*Eidgenössische Bankenkommission*). Therefore, investors in this product are not eligible for the specific investor protection under the CISA.

The proceeds of these Certificates will be used for general corporate purposes and will not be used in Switzerland.

**This product is a high-risk investment instrument, as the Certificate Holder is neither entitled to redemption of the capital invested nor to payment of interest or dividends. There is no capital guarantee or capital protection for investors in these Certificates. Any payments to be made on the Certificates depend primarily on the level of the notional Future Energies (USD) Reference-Portfolio, which will in turn depend on the future development of the level of the components of the Reference-Portfolio (the "Reference-Portfolio Components"). Should the Reference-Portfolio Components not perform favourably, Certificate Holders will incur a partial or total loss of the capital invested.**

In particular, neither UBS AG, London Branch, UBS AG, Zurich nor UBS Limited assume any responsibility vis-à-vis the holders of Certificates for the economic success or lack of success of an investment in the Certificates or for the performance of the Reference-Portfolio Components. The Calculation Agent has the right to reject Constituents that form part of a Rebalancing. In some circumstances this could work to the customer's disadvantage.

In case of default of the Issuer no reach through rights to the Reference-Portfolio apply.

UBS AG is a market maker in several products in the spot, futures and options market. Not only as market maker but also on behalf of customers and on its own behalf, UBS AG is regularly engaged in all these markets. In line with normal business practices, UBS AG may hedge its risks on the products that

it sells to customers. For any individual hedge position, UBS AG may adjust its hedge as market conditions change during the life of the product because, in UBS AG's sole judgement and discretion, it is in UBS AG's interest to do so.

**Any investor is requested to make his own independent assessment of risks involved with this product and/or seek for independent investment advice.**

***Terms and Conditions / Prospectus***

The terms and conditions and the prospectus respectively of the security described in this term sheet can be obtained from UBS Deutschland AG, Stephanstrasse 14-16, D-60313 Frankfurt.

**Disclaimer**

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In certain circumstances UBS sells these certificates 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, 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 Certificates (the "Prospectus").

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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.