



UBS Market Growth Instalments

(Series of UBS Capped Self Funding Instalments)

Supplementary Product Disclosure Statement dated 18 June 2014 ("SPDS")

Issued by UBS AG, Australia Branch

ABN 47 088 129 613

AFSL number 231087

This SPDS supplements the UBS Capped Self Funding Instalments Product Disclosure Statement dated 23 May 2011 ("PDS") and together with the supplementary product disclosure statements dated 17 June 2013 and 3 May 2013 (the "Other SPDSs") they set out the terms of the UBS Capped Self Funding Instalments ("UBS Capped SFIs") referred to in this SPDS as "UBS Market Growth Instalments" or "SS4 Instalments". You should read this SPDS together with Other SPDSs before making a decision to invest. Words defined in the PDS have the same meaning in this SPDS.

This SPDS relates to the offer of the SS4 Series of UBS Market Growth Instalments as specified below.

UBS Market Growth Instalments – SS4 Series	
Issuer	UBS AG, Australia Branch
Offer period opens:	18 June 2014
Strike Date:	20 June 2014
Expected quotation date on the ASX:	23 June 2014
Annual Interest Date:	26 June 2014
Final Maturity Date:	25 June 2015
Initial maximum issue size:	10,000,000 per Series
Maximum Borrow Fee:	<p>The maximum Borrow Fee for each Series of UBS Market Growth Instalments is an amount up to 2.20% (incl. GST) of the Loan Amount and is payable by you when you acquire UBS Market Growth Instalments (other than on the secondary market).</p> <p>The amount of the Borrow Fee will equal the amount of any commission you agree with your adviser. UBS will pay the amount of the Borrow Fee as a commission to the Australian Financial Services Licensee ("Licensee") for whom your adviser acts as a representative and the Licensee may pay a portion of this amount to your adviser provided UBS is satisfied you qualify as a wholesale client as defined in the Corporations Act 2001 (Cth) and provided that payment or receipt of the Borrow Fee and commission is not prohibited by law.</p> <p>Please see Part 4 of the PDS for further details, or contact either UBS or your broker or adviser.</p>
Initial Loan Amount	<p>The Loan Amount will vary during the Term. The Loan Amount on the Strike Date will be the aggregate of 90% of the Closing Price of the Underlying Security on the Strike Date plus the "Additional Loan Amount" for the Series specified in Table 1. You can obtain the current Loan Amount by contacting UBS on 1800 633 100.</p>
Capped Level	<p>The Capped Level for this Series of UBS Market Growth Instalments will be determined by UBS on the Strike Date. The indicative Capped Level for each Series of SS4 Instalments as a percentage of the Closing Price of the Underlying Security on the Strike Date is 120%.</p> <p>The factors affecting UBS' determination of the actual Capped Level are described in section 2.6.4 of the PDS.</p>
Formula for calculating the Cap Adjustment Amount	<p>If the Closing Price of the Underlying Security on the Final Maturity Date is greater than the Capped Level, you will be required to pay a Cap Adjustment Amount for each Underlying Security in the Underlying Parcel equal to the difference between the Closing Price of the Underlying Security on the Final Maturity Date and the Capped Level.</p>

Other Fees	In certain circumstances other fees or costs may be payable to UBS such as costs arising as a result of UBS enforcing its Security Interest over UBS Market Growth Instalments. Please refer to Part 4 of the PDS for further details.
Registrar	Computershare Investor Services Pty Limited Level 3, 60 Carrington Street Sydney NSW 2000, Australia Phone: 1300 85 05 05 Website: www.computershare.com.au

Application has been made for the UBS Market Growth Instalments offered under the PDS and this Supplementary PDS to be admitted to trading status by ASX. UBS reserves the right to increase or decrease the issue size at any time during the offer period or to issue further UBS Market Growth Instalments without the consent of Holders, subject to making a further application to ASX.

NOTES FOR TABLE 1 - DETAILS OF UBS MARKET GROWTH INSTALMENTS

- Table 1 sets out the ASX Code, description of the Underlying Security, the "Additional Loan Amount", the indicative Interest Rate and indicative First Payment amount (inclusive of Borrow Fee) on the Strike Date for each Series, determined as at the date of this SPDS.
- Additional Loan Amount:** The Additional Loan Amount for each Series is set out in Table 1. As explained above, the Additional Loan Amount for a Series is a component of that Series' Loan Amount on the Strike Date (the Loan Amount on the Strike Date will be the sum of 90% of the Closing Price of the relevant Underlying Security on the Strike Date plus the Additional Loan Amount). UBS calculated the Additional Loan Amount for each Series by reference to a number of factors, including UBS's estimates of the cash Ordinary Dividends payable on the Underlying Security over the term of the UBS Market Growth Instalments. You can obtain the current Loan Amount for each Series, which is also the Completion Payment, by contacting UBS on 1800 633 100.
- Interest Rate:** The annualised Interest Rate for the period from the Strike Date to the Annual Interest Date will be different to the Interest Rate that will apply for the period from the Annual Interest Date to the Final Maturity Date. This is because (among other factors) a greater than pro rata portion of the cost of the capital protection component will be included in the Interest Rate for the first Interest period. A less than pro rata portion of the cost of the capital protection component will be included in the Interest Rate applicable to the second Interest period.

The Interest Amount payable for each Series on the Annual Interest Date (i.e. for the second Interest period from the Annual Interest Date to the Final Maturity Date) will equal 10% multiplied by the Closing Price of the relevant Underlying Security on the Strike Date.

The values in the column headed "Indicative Interest Rate (calculated on the Loan Amount on Strike Date for the term to Final Maturity Date) (annualised)" are calculated using the aggregate Interest Amount payable over the full term of the UBS Market Growth Instalments (i.e. in respect of both the first and second Interest periods) and the Loan Amount as at the Strike Date.

The current Interest Rate, determined by UBS as described in the Investment Overview and in Part 2.3.3 of the PDS, is available from UBS by calling 1800 633 100.

- First Payment:** The column in Table 1 headed "Indicative First Payment including Borrow Fee on Strike Date to acquire notional exposure to Underlying Securities worth \$100,000" sets out the indicative First Payment required to buy SS4 Instalments over Underlying Securities with a notional of \$100,000, where notional value is calculated as the number of SS4 Instalments in the relevant Series multiplied by the Closing Price of the corresponding Underlying Security on the Strike Date.

The Column in Table 1 headed "Indicative First Payment (inclusive of Borrow Fee) (as % of Closing Price on Strike Date)" sets out the indicative First Payment (inclusive of Borrow Fee) expressed as a percentage of the Closing Price of the Underlying Security on the Strike Date. It illustrates the indicative level of leverage available via each Series on the Strike Date.

Franking Credit Entitlement: The following comments should be read in conjunction with the Taxation summary in Part 5. As at the date of this SPDS, the expected net delta on the Strike Date for all the SS4 Instalments is greater than 0.30. The delta for the SS4 Instalments Series may change between the date of this SPDS and the Strike Date, and will change during the term of the UBS Market Growth Instalments, depending on market factors (primarily the price of the Underlying Security relative to the Loan Amount for that Series). If net delta is less than 0.3 then your interest in the Underlying Securities may not be "at risk" for the purposes of the Qualified Persons Test. This is likely to impact your ability to claim an entitlement to any associated franking credits on the Underlying Security. As UBS does not provide taxation advice, potential Investors and Holders should seek their own taxation advice in relation to the impact this may have on their own particular circumstances.

Each Series SS4 Instalments will be highly leveraged (at least on the Strike Date). When considering an investment, you should pay particular attention to the additional risks associated with highly leveraged UBS Capped Self Funding Instalments, described in Part 3.8 of the PDS.



Table 1: SS4 Series of UBS Market Growth Instalments

ASX Code	Issuer of Underlying Security	Underlying Security	Additional Loan Amount	Indicative First Payment (inclusive of Borrow Fee) (as % of Closing Price on Strike Date	Indicative aggregate Interest (calculated on the Loan Amount on Strike Date for the term to Final Maturity Date) (annualised)	Indicative First Payment including Borrow Fee on Strike Date to acquire notional exposure to Underlying Securities worth \$100,000
AZJSS4	Aurizon Holdings Ltd	1 ordinary share	\$ 0.1805	8.32%	12.39%	\$ 8,324.11
BHPSS4	BHP Billiton Ltd	1 ordinary share	\$ 1.3021	8.81%	12.86%	\$ 8,808.21
CBASS4	Commonwealth Bank of Australia	1 ordinary share	\$ 3.9045	7.33%	12.34%	\$ 7,329.72
NABSS4	National Australia Bank Ltd	1 ordinary share	\$ 1.9285	7.64%	13.58%	\$ 7,641.70
TLSSS4	Telstra Corporation Ltd	1 ordinary share	\$ 0.2898	6.89%	12.59%	\$ 6,894.78

The indicative Interest Rate and First Payment details for the Strike Date set out in the table above are estimates only, calculated as at the date of this SPDS. They are subject to change on or before the Strike Date due to changes in market conditions. Also, these indicative amounts and rates apply only to the Strike Date – after the Strike Date, these amounts and rates could change significantly. The tables in the Investment Overview section of the PDS explain some of the main factors that impact on UBS' calculation of the First Payment and the Interest Rate.



IMPORTANT INFORMATION

The information in this SPDS has been prepared without taking into account the objectives, financial situation and particular needs of investors. Accordingly, before making a decision to acquire UBS Market Growth Instalments, you should consider whether such an investment is appropriate having regard to your objectives, financial situation and particular needs, and consult your adviser or broker. You should read this SPDS and the PDS and consider them before making any decision as to whether to acquire UBS Market Growth Instalments.

UBS does not accept any liability or responsibility for, and makes no representation or warranty, whether express or implied, as to the affairs of any Underlying Entity included in this SPDS. You should obtain independent advice from a stockbroker or licensed financial adviser on the nature, activities and prospects of the Underlying Entities and the merits of an investment in the Underlying Entities or any Series of UBS Market Growth Instalments. You should not take the historical prices of any Security as an indication of future performance.

UBS disclosure of interests

Options traders in a UBS Entity may buy UBS Market Growth Instalments and/or exchange traded options in Securities comprising the Underlying Parcel as principal. UBS Entities as principal will be conducting transactions in various Securities, including UBS Market Growth Instalments and Securities comprising the Underlying Parcel. UBS Securities may conduct such transactions as agent for UBS Entities, as well as for other principals.

UBS Entities may have previously acted, and may currently or in the future from time to time act as an adviser to the Underlying Entity for which it may receive fees and commissions.

Application Form

An Application Form specific to UBS Market Growth Instalments (SS4 Series) is annexed to the end of this SPDS.

DIRECTORY

Issuer

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Security Trustee

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