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| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the Registration Document of UBS AG dated 19 May 2014</p> |
| <p>Supplement No. 8 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 23 July 2013 for the issuance of Money Market Switch Notes</p> |
| <p>Supplement No. 7 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 18 October 2013 for the Issuance of Fixed Income Securities (Cash)</p> |
| <p>Supplement No. 6 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 14 January 2014 for the Issuance of Fixed Income Securities (Rates)</p> |
| <p>Supplement No. 5 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 24 February 2014 for the issuance of up to 500,000 UBS Open-End Certificates based on the UBS Global Emerging Markets (GEM) RADA Strategy Index (ISIN DE000UBS0EM8) and the Registration Document dated 19 May 2014</p> |
| <p>Supplement No. 7 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 10 March 2014 for the Issuance of UBS Performance Securities</p> |
| <p>Supplement No. 5 pursuant to pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (CHF) (ISIN DE000US6GGP2) and the Registration Document dated 19 May 2014</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (EUR) (ISIN DE000US5FOW8) and the Registration Document dated 19 May 2014</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (USD) (ISIN DE000US5F185) and the Registration Document dated 19 May 2014</p> |
| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 28 Mai 2014 (Basisprospekt vom 28. Mai 2014 für die Emission von Wertpapieren)</p> |

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| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 3 June 2014 for the Issuance of Warrants</p> |
| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 30 June 2014 for the Issuance of Securities</p> |
| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published Base Prospectus dated 17 July 2014 for the Issuance of Fixed Income Securities (Cash)</p> |
| <p>Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the tripartite Prospectus comprising the Summary and Securities Note dated 7 July 2014 for the issuance of up to 100,000 Strategy Certificates (ISIN DE000UBS1CF4) and the Registration Document dated 19 May 2014</p> |
| <p>Supplement No. 2 pursuant to § 16 (1) of the German Securities Prospectus Act</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (CHF) (ISIN CH0224696473) and the Registration Document dated 19 May 2014</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (EUR) (ISIN CH0224696499) and the Registration Document dated 19 May 2014</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0224696481) and the Registration Document dated 19 May 2014</p> <p>dated 24 November 2014 to the already published tripartite Prospectus comprising the Summary and Securities Note dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0252510745) and the Registration Document dated 19 May 2014</p> |

This supplement serves as update to the Base Prospectuses and the Prospectuses mentioned above in connection to the following occurrence:

Publication of the third quarter report of UBS AG as per 30 September 2014 on 28 October 2014.

In the course of supplementing the Base Prospectuses or the Prospectuses, as mentioned above, UBS AG has also taken the occasion to update in this Supplement certain updated information that has become available after the date of the Base Prospectuses and the Prospectuses, as mentioned above.

The following table shows the updated information that has become available after the date of the Base Prospectuses and Prospectuses, as mentioned above, and the revisions that have been made as a result thereof.

| Updated information | Revisions |
|--|--|
| Certain information regarding UBS AG have been updated. | The information in Elements B.4b, B.5, B.12 and B.17 of the Summary has been updated pursuant to the third quarterly report. |
| The holding of the shareholders registered in UBS AG's share register with more than 3% has changed over time. | The information in Element B.16 of the Summary as well as in the section "Major Shareholders of UBS AG" of the Registration Document has been updated accordingly. |

The attention of the investors is in particular drawn to the following: Investors who have already agreed to purchase or subscribe for the Notes, Certificates, Bonds or Securities, as the case may be, before this supplement is published have, pursuant to § 16 (3) of the German Securities Prospectus Act, the right, exercisable within a time limit of two working days after the publication of this supplement, to withdraw their acceptances, provided that the new circumstances or the incorrectness causing the supplement occurred before the closing of the public offering and before the delivery of the securities. A withdrawal, if any, of an order must be communicated in writing to the Issuer at its registered office specified in the address list hereof.

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1) In relation to the Registration Document as listed introductory on page 1 the following adjustments have been made:

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "Regulatory and legislative changes may adversely affect UBS's business and ability to execute its strategic plans" the third subparagraph is replaced by the following text:

"Notwithstanding attempts by regulators to coordinate their efforts, the measures adopted or proposed differ significantly across the major jurisdictions, making it increasingly difficult to manage a global institution. The absence of a coordinated approach, moreover, disadvantages institutions headquartered in jurisdictions that impose relatively more stringent standards. Switzerland has adopted capital and liquidity requirements for its major international banks that are among the strictest of the major financial centers. This could disadvantage Swiss banks such as UBS when they compete with peer financial institutions subject to more lenient regulation or with unregulated non-bank competitors."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "Regulatory and legislative changes in Switzerland" the second subparagraph in the section headed "Resolution planning and resolvability" is replaced by the following text:

"Swiss TBTF requirements require systemically important banks, including UBS, to put in place viable emergency plans to preserve the operation of systemically important functions despite a failure of the institution, to the extent that such activities are not sufficiently separated in advance. The Swiss TBTF law provides for the possibility of a limited reduction of capital requirements for systemically important institutions that adopt measures to reduce resolvability risk beyond what is legally required. Such actions would likely include an alteration of the legal structure of a bank group in a manner that would insulate parts of the group to exposure from risks arising from other parts of the group thereby making it easier to dispose of certain parts of the group in a recovery scenario, to liquidate or dispose of certain parts of the group in a resolution scenario or to execute a debt bail-in. In addition to the exchange offer, the Group has already announced a series of measures to improve the resolvability of the Group:

- The Group plans to establish a new banking subsidiary of UBS in Switzerland and has filed a formal application for a banking license in the third quarter of 2014. The subsidiary, which will be named UBS Switzerland AG, will include the Group's Retail & Corporate business division and the Swiss-booked business within the Wealth Management business division. The Group continues to expect to implement this change in a phased approach starting in mid-2015. This structural change remains subject to a number of uncertainties that may affect its feasibility, scope and timing.
- In the United Kingdom, and in consultation with the U.K. and Swiss regulators, the Group has implemented the first stages of a revised business and operating model for UBS Limited in the second quarter of 2014. This will result in UBS Limited bearing and retaining a greater degree of the risk and reward of its business activities. The Group has increased the capitalisation of UBS Limited accordingly.
- In the United States, the Group will implement new rules for foreign banks promulgated by the Federal Reserve Board under Sections 165 and 166 of Dodd-Frank that will require an intermediate holding company to own all of its operations other than U.S. branches of UBS by 1 July 2016. As a result, the Group will designate an intermediate holding company to hold all U.S. subsidiaries of UBS.

These structural changes have been discussed with the FINMA and other regulatory authorities. The dialogue with regulators will continue and the changes remain subject to some uncertainties that may affect their feasibility, scope or timing. UBS may consider further changes to the legal structure of the Group in response to regulatory requirements in Switzerland or in other countries in which it operates, including to improve the resolvability of the UBS Group, to respond to Swiss and other capital requirements (including seeking potential rebate on the progressive buffer requirement as applied to us) and to respond to regulatory required changes in legal structure. Movement of businesses to a new subsidiary ("subsidiarization") will require significant time and resources to implement. "Subsidiarization" in Switzerland and elsewhere

may create operational, capital, funding and tax inefficiencies and increase our and counterparties' credit risk. Refer to "Regulatory and legislative changes outside Switzerland" for a description of other regulatory and legislative developments that may affect these decisions and further discussion of these risks."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "Regulatory and legislative changes outside Switzerland" the third subparagraph is replaced by the following text:

"For example, UBS has significant operations in the UK and currently use UBS AG's London branch as a global booking center for many types of products. UBS is being required by the UK Prudential Regulatory Authority and by FINMA to increase very substantially the capitalization of our UK bank subsidiary, UBS Limited, and expect to be required to change our booking practices to reduce or even eliminate our utilization of UBS AG London branch as a global booking center for the ongoing business of the Investment Bank. In addition, the UK Independent Commission on Banking has recommended structural and non-structural reforms of the banking sector, most of which have been endorsed by the UK government and implemented in the Financial Services (Banking Reform) Act. Key measures proposed include the ring-fencing of retail banking activities in the UK (which UBS do not expect to impact us directly), additional common equity tier 1 capital requirements of up to 3% of RWA for retail banks, and the issuance by UK banks of debt subject to "bail-in" provisions. Furthermore, the European Commission's recent proposals in light of the Liikanen report issued in October 2012, which contains the recommendations of the European Commission's High-level Expert Group on reforming the structure of the EU banking sector, also advocate a Volcker Rule-style prohibition on proprietary trading together with a separation of trading from banking activities. The applicability and implications of such changes to branches and subsidiaries of foreign banks are not yet entirely clear, but they could have a material effect on our businesses located or booked in the UK."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "Possible consequences of regulatory and legislative developments" the second sentence is replaced by the following text:

"The developments are likely to be costly to implement and could also have a negative impact on our legal structure or business model, potentially generating capital inefficiencies and resulting in an impact on our profitability."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "UBS's capital strength is important in supporting our strategy, client franchise and competitive position" the second subparagraph is replaced by the following text:

"Risks captured in the operational risk component of RWA have become increasingly significant as a component of our overall RWA as a result of significant reductions in market and credit risk RWA, as UBS execute our strategy, and increased operational risk charges arising from operational risk events (including charges arising from litigation, regulatory and similar matters). UBS has agreed with FINMA on a supplemental analysis that will be used to calculate an incremental operational risk capital charge to be held for litigation, regulatory and similar matters and other contingent liabilities. The incremental RWA calculated based on this supplemental analysis as of 31 December 2013 was CHF 22.5 billion. Future developments in and the ultimate elimination of the incremental RWA attributable to the supplemental analysis will depend on provisions charged to earnings for litigation, regulatory and similar matters and other contingent liabilities and on developments in these matters. There can be no assurance that UBS will be successful in addressing these matters and reducing or eliminating the incremental operational risk component of RWA."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "UBS may not be successful in completing our announced strategic plans or in implementing changes in our businesses to meet changing market, regulatory and other conditions" the first subparagraph is replaced by the following text:

"In October 2012, UBS announced a significant acceleration in the implementation of our strategy. The strategy included transforming our Investment Bank to focus it on its traditional strengths, very significantly reducing Basel III RWA and further strengthening our capital position, and significantly reducing costs and improving efficiency across the Group. UBS has made significant progress in implementing the strategy and as of the end of 2013 are ahead of the majority of our performance targets. On 6 May 2014, the Group provided an update on the execution of its strategy and updated several of its annual performance targets. There continues to be a risk that UBS will not be successful in completing the execution of our plans, or that our plans may be delayed or that the effects of our plans may differ from those intended."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "UBS may not be successful in completing its announced strategic plans or in implementing changes in its businesses to meet changing market, regulatory and other conditions" the sixth subparagraph is replaced by the following text:

"The net new money inflows in recent years in UBS's Wealth Management business division have come predominantly from clients in Asia Pacific and in the ultra high net worth segment globally. Over time, inflows from these lower-margin segments and markets have been replacing outflows from higher-margin segments and markets, in particular cross-border European clients. This dynamic, combined with changes in client product preferences as a result of which low-margin products account for a larger share of UBS's revenues than in the past, put downward pressure on UBS's return on invested assets and adversely affect the profitability of UBS's Wealth Management business division. UBS has implemented changes in its product offerings and service improvements, and will continue its efforts to adjust to client trends and market dynamics as necessary, in an effort to overcome the effects of these changes in the business mix on UBS's profitability, but there can be no assurance that UBS will be able to counteract those effects. In addition, UBS has made changes to its business offerings and pricing practices in line with the Swiss Supreme Court case concerning "retrocessions" (fees paid to a bank for distributing third-party and intra-group investment funds and structured products) and other industry developments. These changes may adversely affect UBS's margins on these products and the current offering may be less attractive to clients than the products it replaces. There can be no assurance that UBS will be successful in its efforts to offset the adverse impact of these trends and developments."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "Material legal and regulatory risks arise in the conduct of UBS's business" the second subparagraph is deleted.

In the same section the fourth and the fifth subparagraph are replaced by the following text:

"UBS settlements with governmental authorities in connection with LIBOR and benchmark interest rates starkly illustrate the much-increased level of financial and reputational risk now associated with regulatory matters in major jurisdictions. Very large fines and disgorgement amounts were assessed against UBS, and the guilty plea of a UBS subsidiary was required, in spite of UBS's full cooperation with the authorities in the investigations relating to LIBOR and other benchmark interest rates, and in spite of UBS's receipt of conditional leniency or conditional immunity from antitrust authorities in a number of jurisdictions, including the US and Switzerland. UBS understands that, in determining the consequences to us, the authorities considered the fact that UBS has in the recent past been determined to have engaged in serious misconduct in several other matters. The heightened risk level was further illustrated by the European Commission (EC) announcement in December 2013 of fines against other financial institutions related to its Yen Interest Rate Derivatives (YIRD) investigation. The EC stated that UBS would have been subject to fines of approximately EUR 2.5 billion had UBS not received full immunity for disclosing to the EC the existence of infringements relating to YIRD."

Recent resolution of enforcement matters involving other financial institutions further illustrates the continued increase in the financial and other penalties, reputational risk and other consequences of regulatory matters in major jurisdictions, particularly the U.S., and the resulting difficulty in predicting in this environment the financial and other terms of resolutions of pending government investigations and similar proceedings. In recent months, Credit Suisse AG (CS) and BNP Paribas (BNPP) each pleaded guilty to criminal charges in the United States and simultaneously entered into settlement with other US agencies, including the Board of Governors of the Federal Reserve System and the New York Department of Financial Services (DFS). These resolutions involved the payment of substantial penalties (USD 1.8 billion in the case of CS and USD 8.8 billion in the case of BNPP), agreements with respect to future operation of their business and actions with respect to relevant personnel. In the case of BNPP, the DFS suspended for a one-year period BNPP's ability to conduct through its New York branch business activity related to the business line that gave rise to the illegal conduct, namely U.S. dollar clearing for specified BNPP business units. In addition, the U.S. Department of Justice (DOJ) recently announced a USD 7 billion settlement with Citigroup, including a USD 4 billion civil penalty, to resolve federal and state claims relating to Citigroup's conduct in packaging, marketing, issuing and selling residential mortgage-backed securities. Under the settlement, Citigroup is also required to provide relief to consumers who were harmed by its conduct.

UBS continues to be subject to a large number of claims, disputes, legal proceedings and government investigations, including the matters described in the notes to the financial statements included herein and expects that its ongoing business activities will continue to give rise to such matters in the future. The extent of UBS's financial exposure to these and other matters is material and could substantially exceed the level of provisions that UBS has established for litigation, regulatory and similar matters. UBS is not able to predict the financial and other terms on which some of these matters may be resolved. Litigation, regulatory and similar matters may also result in non-monetary penalties and consequences. Among other things, the non-prosecution agreement UBS entered into with the DOJ in connection with LIBOR (the "NPA") may be terminated by the DOJ if the Group commits any U.S. crime or otherwise fails to comply with the NPA and the DOJ may obtain a criminal conviction of UBS in relation to the matters covered by the NPA. A guilty plea to, or conviction of, a crime (including as a result of termination of the NPA) could have material consequences for UBS.

Under the NPA, UBS has agreed, among other things, that, for two years from 18 December 2012 UBS will not commit any US crime, and UBS will advise the Department of Justice of all potentially criminal conduct by UBS or any of its employees relating to violations of US laws concerning fraud or securities and commodities markets. UBS is also obligated to continue to cooperate fully with the Department of Justice. Failure to comply with these obligations could result in termination of the non-prosecution agreement and potential criminal prosecution in relation to the matters covered by the non-prosecution agreement. As a result of this history and UBS's ongoing obligations under the non-prosecution agreement, UBS's level of risk with respect to regulatory enforcement may be greater than that of some of its peer institutions."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "UBS's reputation is critical to the success of UBS's business" the second sentence is replaced by the following wording:

"This was demonstrated in recent years, as UBS's very large losses during the financial crisis, the US cross-border matter (relating to the governmental inquiries and investigations relating to the Group's cross-border private banking services to U.S. private clients during the years 2000–2007 and the settlements entered into with U.S. authorities in respect to this matter) and other events seriously damaged UBS's reputation."

In the section headed "III. Risk Factors" (starting on page 4 of the Registration Document) in the section headed "UBS might be unable to identify or capture revenue or competitive opportunities, or retain and attract qualified employees" the fifth subparagraph is replaced by the following wording:

"The EU has adopted legislation that caps the amount of variable compensation in proportion to the amount of fixed compensation for employees of a bank active within the EU. This legislation will apply to employees of the Group in the EU. These and other similar initiatives may require

the Group to make further changes to its compensation structure and may increase the risks described above."

In the section headed "IV. Information about UBS AG" the second subparagraph (page 18, et seq., of the Registration Document) is replaced by the following text:

"On 30 September 2014 UBS's common equity tier 1 capital ratio¹ was 13.7% on a fully applied basis and 19.1% on a phase-in basis, invested assets stood at CHF 2,640 billion, equity attributable to UBS shareholders was CHF 50,824 million and market capitalization was CHF 64,047 million. On the same date, UBS employed 60,292 people²."

In the section headed "V. Business Overview" the subparagraph headed "Recent Developments" (page 21, et seq., of the Registration Document) is completely replaced by the following text:

"UBS's results as of and for the quarter and nine months ended 30 September 2014, as presented in UBS AG's third quarter 2014 report (including unaudited consolidated financial statements of UBS Group)

3Q14 vs 2Q14

Group: Net profit attributable to UBS shareholders for the third quarter of 2014 was CHF 762 million compared with CHF 792 million in the second quarter of 2014. The Group recorded an operating loss before tax of CHF 554 million compared with a profit of CHF 1,218 million, mainly reflecting an increase of CHF 1,582 million in charges for litigation, regulatory and similar matters. Operating income declined by CHF 271 million and included a net loss of CHF 267 million from the implementation of funding valuation adjustments ("FVA") on derivatives. The Group recorded a net tax benefit of CHF 1,317 million, mainly related to a net upward revaluation of deferred tax assets, compared with a net tax expense of CHF 314 million in the prior quarter. In the fourth quarter of 2014, the Group expects to recognize a further net upward revaluation of deferred tax assets of approximately CHF 400 million. For 2015, the Group is currently forecasting a tax rate in the range of 20% to 25%, excluding the effects on the tax rate from any reassessment of deferred tax assets, which is expected in the second half of the year. Net profit attributable to preferred noteholders was zero compared with CHF 111 million in the prior quarter.

On an adjusted basis³, the loss before tax was CHF 424 million compared with a profit of CHF 1,191 million in the prior quarter. Adjusted operating income decreased by CHF 168 million to CHF 6,863 million and included a net loss of CHF 267 million from the implementation of FVA. Adjusted operating expenses increased by CHF 1,447 million to CHF 7,287 million, largely reflecting CHF 1,582 million higher net charges for provisions for litigation, regulatory and similar matters, partly offset by CHF 114 million lower personnel expenses.

Wealth Management: Profit before tax was CHF 707 million in the third quarter of 2014, an increase of CHF 352 million compared with the second quarter. Adjusted³ for restructuring

¹ Based on the Basel III framework, as applicable to Swiss systemically relevant banks. The common equity tier 1 capital ratio is the ratio of common equity tier 1 capital to risk-weighted assets. The information provided on a fully applied basis entirely reflects the effects of the new capital deductions and the phase out of ineligible capital instruments. The information provided on a phase-in basis gradually reflects those effects during the transition period. For information as to how common equity tier 1 capital is calculated, refer to the "Capital management" section of UBS AG's third quarter 2014 report.

² Full-time equivalents.

³ Unless otherwise indicated, third-quarter 2014 "adjusted" figures exclude each of the following items, to the extent applicable, on a Group and business division level: an own credit gain of CHF 61 million, a loss of CHF 48 million related to the impairment of a financial investment available-for-sale, net restructuring charges of CHF 176 million and a credit of CHF 33 million related to changes to a retiree benefit plan in the US. For the second quarter of 2014, the items excluded were an own credit gain of CHF 72 million, gains of CHF 1 million on sales of real estate, a gain of CHF 43 million from the partial sale of UBS' investment in Markit and net restructuring charges of CHF 89 million. Adjusted results are non-GAAP (United States Generally Accepted Accounting Principles) financial measures as defined by SEC regulations.

charges, profit before tax increased by CHF 374 million to CHF 767 million, mainly as charges for provisions for litigation, regulatory and similar matters were CHF 277 million lower in the third quarter. In addition, operating income increased by CHF 110 million, largely as a result of both higher recurring net fee income and net interest income. The gross margin on invested assets increased by 2 basis points to 86 basis points. Net new money was CHF 9.8 billion compared with CHF 10.7 billion in the prior quarter.

Wealth Management Americas: Profit before tax was USD 254 million in the third quarter of 2014 compared with USD 238 million in the second quarter. Adjusted³ for restructuring charges in both quarters and a credit related to changes to a retiree benefit plan in the US in the third quarter, profit before tax increased to USD 267 million from USD 246 million, mainly due to higher recurring net fee income. Net new money improved to USD 4.9 billion compared with net outflows of USD 2.5 billion in the prior quarter.

Retail & Corporate: Profit before tax was CHF 426 million in the third quarter of 2014 compared with CHF 354 million in the second quarter. Adjusted³ for restructuring charges, profit before tax increased by CHF 79 million to CHF 446 million, mostly as charges for provisions for litigation, regulatory and similar matters declined by 48 million. In addition, both net interest and transaction-based income increased, partly offset by higher credit loss expenses. The annualized net new business volume growth rate for the retail business was 1.7% compared with 2.5% in the prior quarter following the typical seasonal pattern.

Global Asset Management: Profit before tax was CHF 154 million in the third quarter of 2014 compared with CHF 105 million in the second quarter. Adjusted³ for a credit related to changes to a retiree benefit plan in the US and restructuring charges, profit before tax was CHF 151 million compared with CHF 107 million. The increase was due to higher third quarter operating income, and the absence of charges for provisions for litigation, regulatory and similar matters. Excluding money market flows, net new money inflows were CHF 3.8 billion compared with CHF 11.6 billion in the prior quarter.

Investment Bank: The business division recorded an operating loss before tax of CHF 1,284 million compared with a profit of CHF 579 million in the second quarter. On an adjusted basis³, the operating loss before tax was CHF 1,205 million compared with a profit of CHF 563 million, mainly due to CHF 1,676 million higher charges for provisions for litigation, regulatory and similar matters. Fully applied risk-weighted assets decreased by CHF 6 billion to CHF 62 billion as of 30 September 2014.

Corporate Center – Core Functions recorded a loss before tax of CHF 190 million in the third quarter of 2014 compared with a profit of CHF 25 million in the prior quarter. The third quarter included total operating expenses remaining in Corporate Center – Core Functions after service allocations of CHF 194 million. Total operating income was CHF 5 million and included treasury income remaining in Corporate Center – Core Functions of negative CHF 65 million and an own credit gain of CHF 61 million.

Corporate Center – Non-core and Legacy Portfolio recorded a loss before tax of CHF 603 million in the third quarter of 2014 compared with a loss of CHF 412 million in the prior quarter. The third quarter included a net loss of CHF 252 million as a result of the implementation of funding valuation adjustments on derivatives. Risk-weighted assets decreased by CHF 10 billion to CHF 42 billion.

Risk management and control

The Group further managed down credit risks within its Non-core and Legacy portfolio, including making significant progress in novating trades and obtaining full repayment on the loan to the Black-Rock Fund. Overall, reported credit exposures increased due to growth in lending within the Group's wealth management businesses and the appreciation of the US dollar versus the Swiss franc. Net credit loss expenses for the quarter were CHF 32 million. The Group continues to focus on enhancing its ability to control consequential risks in a fully integrated manner.

Balance sheet

As of 30 September 2014, the Group's balance sheet assets stood at CHF 1,049 billion, an increase of CHF 67 billion from 30 June 2014, primarily reflecting higher positive replacement values in the Investment Bank, mainly due to increased notional volumes combined with fair value movements resulting from the strengthening of the US dollar versus the Swiss franc. Funded

assets, which represent total assets excluding positive replacement values and collateral delivered against over-the-counter derivatives, increased by CHF 23 billion to CHF 772 billion, also primarily resulting from currency effects. Excluding these currency effects, funded assets decreased by approximately CHF 3 billion.

Liquidity and funding management

The Group's liquidity position remained strong during the third quarter of 2014. The Group further enhanced its funding profile through the issuance of several senior unsecured bonds in an amount equivalent to CHF 8.8 billion.

Capital management

The Group's fully applied common equity tier 1 (CET1) capital ratio⁴ increased 0.2 percentage points to 13.7% and its fully applied CET1 capital decreased by CHF 0.5 billion to CHF 30.0 billion as of 30 September 2014. On a phase-in basis, CET1 capital ratio increased 0.9 percentage points to 19.1% and CET1 capital increased by CHF 0.6 billion to CHF 42.5 billion. Risk-weighted assets decreased by CHF 7.4 billion to CHF 219.3 billion on a fully applied basis and by CHF 7.3 billion to CHF 222.6 billion on a phase-in basis. The Group's Swiss systemically relevant banks (SRB) leverage ratio was stable at 4.2% on a fully applied basis and increased 0.1 percentage points to 5.4% on a phase-in basis.

UBS Group – 9M14 vs 9M13:

Net profit attributable to UBS shareholders was CHF 2,609 million in the first nine months of 2014 compared with CHF 2,255 million in the prior-year period. Operating profit before tax was CHF 2,057 million compared with CHF 2,823 million.

For the first nine months of 2014, adjusting items were an own credit gain of CHF 221 million, gains on sales of real estate of CHF 24 million, a gain of CHF 43 million from the partial sale of the Group's investment in Markit, a loss of CHF 48 million related to the impairment of a financial investment available-for-sale, net restructuring charges of CHF 469 million and a credit of CHF 33 million related to changes to a retiree benefit plan in the US. For the same period in 2013, adjusting items were an own credit loss of CHF 189 million, gains on sales of real estate of CHF 227 million, a net loss related to the buyback of debt in a public tender offer of CHF 92 million, a gain on the sale of Global Asset Management's Canadian domestic business of CHF 34 million, a net gain on the sale of the remaining proprietary trading business of CHF 31 million and net restructuring charges of CHF 574 million.

On an adjusted basis, profit before tax decreased by CHF 1,133 million to CHF 2,253 million, due to an increase of CHF 760 million in operating expenses and a decline of CHF 373 million in operating income.

Adjusted net interest and trading income declined by CHF 1,055 million to CHF 7,872 million, largely in Corporate Center – Non-core and Legacy Portfolio, the Investment Bank and, to a lesser extent, in Wealth Management, partly offset by an increase in Corporate Center – Core Functions. Net interest and trading income in Wealth Management declined by CHF 92 million, mainly due to lower foreign exchange and precious metals-related trading revenues. Investment Bank net interest and trading revenues declined by CHF 525 million. Investor Client Services net interest and trading income decreased by CHF 471 million, primarily as equities derivatives revenues declined across all regions, mainly as a result of lower client activity levels, volatility levels and trading revenues. Foreign exchange, rates and credit revenues also decreased, with lower revenues across most products as client activity and volatility levels decreased significantly, reflecting the ongoing macroeconomic uncertainty. Corporate Client Solutions net interest and trading income declined by CHF 55 million, largely due to lower equity capital markets revenues, which in the first nine months of 2013 included revenues from a large private transaction, as well as lower revenues in financing solutions, partly offset by higher debt capital markets and risk management revenues. Non-core and Legacy Portfolio net interest and trading income decreased by CHF 937 million and included a loss of CHF 252 million upon the implementation of FVA and a loss of CHF 97 million in structured credit as a result of the exit of the majority of the correlation trading portfolio. The prior-year period included a gain of CHF 428 million from the revaluation of the Group's option to

4 Unless otherwise indicated, all information in this paragraph is based on the Basel III framework, as applicable to Swiss systemically relevant banks.

acquire the SNB StabFund's equity and also benefited from favorable market conditions at the beginning of the year ahead of any material unwind activity resulting from the implementation of the Group's strategy. In Corporate Center – Core Functions, adjusted net interest and trading revenues were CHF 471 million higher, mainly due to gains of CHF 119 million from cross-currency basis swaps which are held as economic hedges compared with a loss of CHF 117 million in the first nine months of 2013, as well as a gain of CHF 48 million related to the Group's macro cash flow hedges compared with a loss of CHF 143 million in the first nine months of 2013.

Net fee and commission income increased by CHF 490 million to CHF 12,680 million, largely due to higher portfolio management and advisory fees in the Group's wealth management businesses and as equity underwriting fees increased by CHF 138 million, mainly in the Investment Bank. These increases were partly offset by lower investment fund fees and lower net brokerage fees.

Adjusted other income increased by CHF 175 million to CHF 507 million, mainly reflecting increased revenues related to investments in associates.

Adjusted operating expenses increased by CHF 760 million to CHF 18,788 million, mainly as net charges for provisions for litigations, regulatory and similar matters increased by CHF 662 million. Non-personnel expenses excluding net charges for provisions for litigation, regulatory and similar matters increased by CHF 157 million, largely due to higher costs for outsourcing of information technology and other services, as well as higher professional fees, while the first nine months of 2013 included a charge of CHF 106 million in relation to the Swiss-UK tax agreement. This was partly offset by a decline of CHF 59 million in personnel expenses, reflecting lower salary and pension costs, partly offset by higher variable compensation and higher financial advisor compensation in Wealth Management Americas.

Operating expenses guidance

As a result of the Group's clean slate budgeting and planning process and the more granular plans it has developed to achieve its CHF 2.1 billion net cost reduction target, the Group has updated its guidance on restructuring costs for 2014 and 2015, and extended the horizon for guidance to include 2016 and 2017. The Group now estimates restructuring costs of approximately CHF 700 million for 2014 and CHF 1.4 billion for 2015. For 2016, it estimates restructuring costs of CHF 900 million and CHF 400 million in 2017. Further, it estimates that it will incur approximately CHF 100 million additionally per year from 2015 to 2017 to achieve its planned cost reductions.

In view of the current regulatory and political climate affecting financial institutions, and because it continues to be exposed to a number of significant claims and regulatory matters, the Group expects charges associated with litigation, regulatory and similar matters to remain at elevated levels through 2014. At this point in time, the Group believes that the industry continues to operate in an environment where charges associated with litigation, regulatory and similar matters will remain elevated for the foreseeable future.

Legal and regulatory risk environment

Recent resolution of enforcement matters involving other financial institutions starkly illustrates the continued increase in the financial and other penalties, reputational risk and other consequences of regulatory matters in major jurisdictions, particularly the US, and the resulting difficulty in predicting in this environment the financial and other terms of resolutions of pending government investigations and similar proceedings. In recent months, Credit Suisse AG ("CS") and BNP Paribas ("BNPP") each pleaded guilty to criminal charges in the United States and simultaneously entered into settlement with other US agencies, including the Board of Governors of the Federal Reserve System and the New York Department of Financial Services ("DFS"). These resolutions involved the payment of substantial penalties (USD 1.8 billion in the case of CS and USD 8.8 billion in the case of BNPP), agreements with respect to future operation of their business and actions with respect to relevant personnel. In the case of BNPP, the DFS suspended for a one-year period BNPP's ability to conduct through its New York branch business activity related to the business line that gave rise to the illegal conduct, namely US dollar clearing for specified BNPP business units. In addition, the US Department of Justice ("DOJ") recently announced a USD 7 billion settlement with Citigroup, including a USD 4 billion civil penalty, to resolve federal and state claims relating to Citigroup's conduct in packaging, marketing, issuing and selling residential mortgage-backed securities. Under the settlement, Citigroup is also required to provide relief to consumers who were harmed by its conduct.

UBS is subject to a large number of claims, disputes, legal proceedings and government investigations and expects that its operations will continue to give rise to such proceedings in the future. The extent of UBS's financial and other exposure to these and other matters could be material and could substantially exceed the level of provisions that UBS has established for litigation, regulatory and similar matters.

UBS participates in regulatory resolutions of industry-wide FX matter - Foreign-exchange related investigations resolved with FINMA, CFTC, FCA - Total charges fully provisioned in third quarter of 2014

On 12 November 2014, UBS announced that it has reached resolutions with the Swiss Financial Market Supervisory Authority ("FINMA"), the US Commodity Futures Trading Commission ("CFTC") and the UK Financial Conduct Authority ("FCA") in connection with their industry-wide investigations into irregularities in foreign exchange ("FX") markets. FINMA issued an order concluding its formal proceedings with respect to UBS and the firm simultaneously completed settlements with the CFTC and the FCA.

FINMA has ordered UBS to pay CHF 134 million in confiscation of costs avoided and profits. In addition, UBS has agreed to pay USD 290 million (approximately CHF 281 million⁵) in fines to the CFTC in connection with settlements agreed to by a number of banks. UBS also agreed a GBP 234 million (approximately CHF 359 million⁵) fine with the FCA in connection with settlements agreed to by a number of banks. UBS provisioned fully for these charges in the third quarter of 2014. The conduct described in the settlements and order includes attempts by UBS employees to manipulate the prices of G10 foreign exchange spot and benchmark rates, including collusion by UBS employees with employees of other banks and inappropriate sharing of confidential information in relation to G10 foreign exchange spot trading. The regulatory resolutions also include certain remediation measures, many of which already have been or are being implemented by UBS.

Over the last few years, UBS has instituted significant cultural and compliance changes and has received positive feedback from regulators, clients and other stakeholders on its progress. UBS was the first bank to self-report potential misconduct and cooperate fully with authorities in their review of FX and related markets. The firm took appropriate disciplinary action against employees involved in the matter. In addition, and in line with its findings and regulatory requirements, UBS has introduced significant enhancements to the control framework of its FX business and the entire firm. UBS continues to cooperate with ongoing FX and related investigations, which include investigations of individuals involved.

Creation of a group holding company

On 29 September 2014, UBS launched a share-for-share exchange offer in order to establish a group holding company, UBS Group AG. Upon completion of the initial settlement of the exchange offer, which is expected to take place on 28 November 2014, UBS Group AG (currently a wholly owned subsidiary of UBS AG) will become the holding company for UBS AG and its subsidiaries. UBS Group AG shares will be listed on the SIX Swiss Exchange (SIX) and the New York Stock Exchange (NYSE) while UBSAG shares are intended to be delisted in accordance with applicable listing rules. Following completion of the offer, UBS expects that UBS Group AG will squeeze out any untendered UBS AG shares either through a proceeding under the Swiss Act on Stock Exchanges and Securities Trading or through squeeze-out merger under Swiss law, depending on the level of ownership achieved in the exchange offer. The squeeze-out phase of the transaction could take several additional months.

Establishment of a group holding company is intended, along with other measures the Group has announced, to substantially improve the resolvability of UBS in response to Swiss and other key jurisdictions' "too-big-to-fail" (TBTF) requirements. The Group anticipates that these measures will

⁵Currency conversions based on Bloomberg rates of USD/CHF: 0.96810 and GBP/CHF: 1.5366 at 1700 CET on 11 November 2014.

allow UBS to qualify for a reduction in the progressive buffer capital requirements applicable to UBS as a systemically relevant bank. This would result in lower overall capital requirements for UBS.

Following completion of the transaction and a subsequent squeeze-out process, UBS expects to propose to shareholders of UBS Group AG a supplementary capital return of at least CHF 0.25 per share.

Purchase of UBS AG shares by UBS Group AG pursuant to the exchange offer is expected to cause a triggering event resulting in accruals for future distributions to preferred noteholders. Assuming the acceptance date for the exchange offer is in the fourth quarter of 2014, UBS expects to attribute further net profit to preferred noteholders of up to approximately CHF 80 million due to the exchange offer in the fourth quarter of 2014.

Plans for further structural changes

In addition to the exchange offer, the Group has already announced a series of measures to improve its resolvability:

- The Group plans to establish a new banking subsidiary of UBS in Switzerland, UBS Switzerland AG, and to transfer its Retail & Corporate business division and the Swiss-booked business of its Wealth Management business division into UBS Switzerland AG. The Group has filed an application for a banking license in Switzerland and expects to implement the transfer in a phased approach starting in mid-2015. This will be effected by way of a transfer of assets and liabilities and will include all relevant assets, liabilities and contracts of clients of the Retail & Corporate business and the Swiss-booked clients of the Wealth Management business. Affected clients will be notified of the transfer in advance. Under the Swiss merger act, UBS AG will retain on an interim basis joint liability for obligations transferred to UBS Switzerland AG, and, subject to regulatory approvals, UBS Switzerland AG will on an interim basis assume joint liability for obligations of UBS AG as part of the transfer.
- In the United Kingdom, in response to regulatory developments and consultations with the U.K. and Swiss regulators, UBS Limited, the Group's UK bank subsidiary, implemented in May 2014 a modified business operating model under which UBS Limited bears and retains a greater degree of risk and reward in its business activities. This principally involves UBS Limited retaining and managing credit risk as well as some market and other risks, UBS Limited taking a more independent role in managing its funding and liquidity requirements and involved an increase in UBS Limited's total regulatory capital to GBP 4.9 billion as of 30 June 2014 from GBP 3.4 billion as of 31 March 2014.
- In the United States, the Group will implement new rules for foreign banks promulgated by the Federal Reserve Board under Sections 165 and 166 of Dodd-Frank that will require an intermediate holding company to own all of its operations other than U.S. branches of UBS by 1 July 2016. As a result, the Group will designate an intermediate holding company to hold all U.S. subsidiaries of UBS.

The Group may consider further changes to its legal structure in response to regulatory requirements in Switzerland or in other countries in which it operates, including to further improve the resolvability of the Group, to respond to Swiss and other capital requirements (including seeking potential rebate on the progressive buffer capital requirements applied to the Group as a systemically relevant bank in Switzerland) and to respond to other regulatory requirements regarding its legal structure. Such changes may include the transfer of operating subsidiaries of UBS to become direct subsidiaries of UBS Group by purchase, dividend or other means, transfer of shared service and support functions to one or more service companies and adjustments to the booking entity or location of products and services. These structural changes are being discussed on an ongoing basis with the FINMA and other regulatory authorities and remain subject to a number of uncertainties that may affect their feasibility, scope or timing."

In the paragraph headed "VI. Organisational Structure of the Issuer" (page 26 of the Registration Document) the first sentence of the second subparagraph is replaced by the following text:

"UBS has published a share for share exchange offer to establish a group holding company. If the exchange offer is successful, it is intended that UBS Group AG will become the parent company of UBS AG and the holding company of the Group."

The paragraph headed "VII. Trend Information" (page 27 of the Registration Document) is replaced by the following text:

" As stated in UBS AG's third quarter report issued on 28 October 2014 (including the Group's unaudited consolidated financial statements), at the start of the fourth quarter of 2014, many of the underlying challenges and geopolitical issues that the Group has previously highlighted remain and in some cases have intensified. A number of new concerns have arisen including the fear of risks related to the Ebola virus. The mixed outlook for global growth, the absence of sustained and credible improvements to unresolved issues in Europe, continuing U.S. fiscal and monetary policy issues and increasing geopolitical instability would make improvements in prevailing market conditions unlikely. Despite these ongoing challenges, the Group will continue to execute on its strategy in order to ensure the firm's long-term success and to deliver sustainable returns for shareholders."

In the section headed "VIII. Administrative, Management and Supervisory Bodies of UBS AG" (page 27 of the Registration Document) in the table headed "Members of the Board of Directors" the following columns have been replaced:

| Member and business address | Title | Term of office | Current principal positions outside UBS AG |
|--|----------|----------------|---|
| Axel A. Weber UBS AG, Bahnhofstrasse 45, CH-8001 Zurich | Chairman | 2015 | Member of the board of the Swiss Finance Council, the Swiss Bankers Association, the Institute of International Finance and the International Monetary Conference; member of the Group of Thirty, Washington, DC and a member of the Foundation Board of Avenir Suisse; member of the IMD Foundation Board, Lausanne, the European Banking Group and the European Financial Services Roundtable; member of the Advisory Board of the Department of Economics at the University of Zurich and the German Market Economy Foundation; senior research fellow at the Center for Financial Studies, Frankfurt/Main and research fellow at the Center for Economic Policy Research, London; member of the European Money and Finance Forum in Vienna and of the Monetary Economics and International Economics Councils of the leading association of German-speaking economists, the Verein für Socialpolitik; Member of the Board of Directors of the Financial Services Professional Board, Kuala Lumpur |
| Reto Francioni Deutsche Börse AG, D-60485 Frankfurt am Main | Member | 2015 | CEO of Deutsche Börse AG and holding various mandates on the boards of Deutsche Börse Group subsidiaries; professor at the University of Basel. Member of the Shanghai International Financial Advisory Committee, of the Advisory Board of Moscow International Financial Center, of the International Advisory Board of Instituto de Empresa, of the Steering Committee of the Project "Role of Financial Services in Society", World Economic Forum, of the Franco-German Roundtable, and of the Strategic Advisory Group of VHV Insurance. Chairman of the Supervisory Board of Eurex Zürich AG and Eurex Frankfurt AG |
| Ann F. Godbehere UBS AG, Bahnhofstrasse | Member | 2015 | Board member and Chairperson of the Audit Committee of Prudential plc, Rio Tinto plc, Rio Tinto Limited, London. Member of the board of British American Tobacco plc. |

| | | | |
|---|--------|------|---|
| 45, CH-8001 Zurich | | | |
| Axel P. Lehmann Zurich Insurance Group, Mythenquai 2, CH-8002 Zurich | Member | 2015 | Member of the Group Executive Committee, Group Chief Risk Officer and Regional Chairman Europe of Zurich Insurance Group, Zurich; Chairman of the board of Farmers Group, Inc.; Chairman of the board of the Institute of Insurance Economics at and member of the International and Alumni Advisory Board of the University of St. Gallen; former Chairman and member of the Chief Risk Officer Forum; member of the board of Economiesuisse; Chairman of the Global Agenda Council on the Global Financial System of World Economic Forum (WEF). Member of the board of Zurich Insurance plc., Dublin; member of the supervisory board of Zurich Beteiligungs AG, Frankfurt a.M. Chairman of the board of trustees of the Pension Plans 1 and 2 of the Zurich Insurance Group |
| William G. Parrett UBS AG, Bahnhofstrasse 45, CH-8001 Zurich | Member | 2015 | Member of the board and Chairperson of the Audit Committee of the Eastman Kodak Company, the Blackstone Group LP and Thermo Fisher Scientific Inc.; member of the board of iGATE Corporation. Past Chairman of the board of the United States Council for International Business and of United Way Worldwide; member of the Carnegie Hall Board of Trustees; member of the Committee on Capital Markets Regulation |
| Beatrice Weder di Mauro Johannes Gutenberg- University Mainz, Jakob Welder-Weg 4, D-55099 Mainz | Member | 2015 | Professor at the Johannes Gutenberg University, Mainz; research fellow at the Center for Economic Policy Research, London; member of the board of Roche Holding Ltd., Basel, and Robert Bosch GmbH, Stuttgart. Member of the Corporate Governance Commission of the German Government and of the Global Agenda Council on Sovereign Debt of the World Economic Forum. Member of the economic advisory board of Fraport AG and a member of the advisory board of Deloitte Germany. Deputy Chairman of the University Council of the University of Mainz |
| Joseph Yam UBS AG, Bahnhofstrasse 45, CH-8001 Zurich | Member | 2015 | Executive Vice President of the China Society for Finance and Banking. Distinguished research fellow of the Institute of Global Economics and Finance at the Chinese University of Hong Kong; member of the board of Community Chest of Hong Kong; member of the International Advisory Council of China Investment Corporation. Member of the board of Johnson Electric Holdings Limited and of UnionPay International Co., Ltd. |

"

In the section headed "IX. Major Shareholders" (page 31 of the Registration Document) the fourth and the fifth subparagraph are replaced as follows:

"As of 30 September 2014, the following shareholders (acting in their own name or in their capacity as nominees for other investors or beneficial owners) were registered in the share register with 3% or more of the total share capital of UBS AG: Chase Nominees Ltd., London (11.65%); Government of Singapore Investment Corp., Singapore (6.39%); the US securities clearing organization DTC (Cede & Co.) New York, "The Depository Trust Company" (6.76%); and Nortrust Nominees Ltd., London (3.54%)."

UBS holds UBS Shares primarily to hedge employee share and option participation plans. In addition, the Investment Bank holds a limited number of UBS Shares in its capacity as a liquidity provider to the equity index futures market and as a market-maker in UBS Shares and derivatives on UBS Shares. Furthermore, to meet client demand, UBS has issued structured debt instruments linked to UBS Shares, which are economically hedged by cash-settled derivatives and, to a limited extent, own shares held by the Investment Bank. As of 30 September 2014, UBS held 90,688,181 UBS Shares, corresponding to less than 3% of the total share capital of UBS AG. As of 31 December 2013, UBS had disposal positions relating to 284,975,843 voting rights of UBS AG,

corresponding to 7.4% of the total voting rights of UBS AG. 7.0% of this consisted of voting rights on shares deliverable in respect of employee awards."

In the section headed "X. Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses" (page 31 of the Registration Document) the subparagraph headed "Interim Financial Information" is replaced as follows:

"Reference is also made to UBS AG's first, second and third quarter 2014 reports, which contain information on the financial condition and the results of operation of the UBS Group as of and for the quarter ended on 31 March 2014, as of and for the quarter ended on 30 June 2014 and as of and for the quarter ended on 30 September 2014 respectively. The interim financial statements are not audited."

Regarding the section headed "XI. Legal and Arbitration Proceedings" (page 32 of the Registration Document) the header has been changed to "XI. Litigation, Regulatory and Similar Matters" and the section is completely replaced by the following text:

"XI. Litigation, Regulatory and Similar Matters

The Group operates in a legal and regulatory environment that exposes it to significant litigation and similar risks arising from disputes and regulatory proceedings. As a result, UBS is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations.

Such matters are subject to many uncertainties and the outcome is often difficult to predict, particularly in the earlier stages of a case. There are also situations where the Group may enter into a settlement agreement. This may occur in order to avoid the expense, management distraction or reputational implications of continuing to contest liability, even for those matters for which the Group believes it should be exonerated. The uncertainties inherent in all such matters affect the amount and timing of any potential outflows for both matters with respect to which provisions have been established and other contingent liabilities. The Group makes provisions for such matters brought against it when, in the opinion of management after seeking legal advice, it is more likely than not that the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required, and the amount can be reliably estimated. If any of those conditions is not met, such matters result in contingent liabilities. If the amount of an obligation cannot be reliably estimated, a liability exists that is not recognized even if an outflow of resources is probable. Accordingly, no provision is established even if the potential outflow of resources with respect to select matters could be significant.

Specific litigation, regulatory and other matters are described below, including all such matters that management considers to be material and others that management believes to be of significance due to potential financial, reputational and other effects. The amount of damages claimed, the size of a transaction or other information is provided where available and appropriate in order to assist users in considering the magnitude of potential exposures.

In the case of certain matters below, UBS states that it has established a provision, and for the other matters it makes no such statement. When UBS makes this statement and it expects disclosure of the amount of a provision to prejudice seriously its position with other parties in the matter, because it would reveal what UBS believes to be the probable and reliably estimable outflow, UBS does not disclose that amount. In some cases UBS is subject to confidentiality obligations that preclude such disclosure. With respect to the matters for which UBS does not state whether it has established a provision, either (a) it has not established a provision, in which case the matter is treated as a contingent liability under the applicable accounting standard or (b) it has established a provision but expects disclosure of that fact to prejudice seriously its position with other parties in the matter because it would reveal the fact that UBS believes an outflow of resources to be probable and reliably estimable.

With respect to certain litigation, regulatory and similar matters as to which UBS has established provisions, UBS is able to estimate the expected timing of outflows. However, the aggregate

amount of the expected outflows for those matters for which it is able to estimate expected timing is immaterial relative to its current and expected levels of liquidity over the relevant time periods.

The aggregate amount provisioned for litigation, regulatory and similar matters as a class is disclosed in Note 14a to the unaudited consolidated financial statements included in UBS AG's third quarter 2014 report. It is not practicable to provide an aggregate estimate of liability for UBS's litigation, regulatory and similar matters as a class of contingent liabilities. Doing so would require UBS to provide speculative legal assessments as to claims and proceedings that involve unique fact patterns or novel legal theories, which have not yet been initiated or are at early stages of adjudication, or as to which alleged damages have not been quantified by the claimants. Although UBS therefore cannot provide a numerical estimate of the future losses that could arise from the class of litigation, regulatory and similar matters, it can confirm that it believes that the aggregate amount of possible future losses from this class that are more than remote substantially exceeds the level of current provisions. Litigation, regulatory and similar matters may also result in non-monetary penalties and consequences. Among other things, the non-prosecution agreement ("NPA") described in paragraph 8 of this note, which UBS entered into with the US Department of Justice, Criminal Division, Fraud Section ("DOJ") in connection with UBS's submissions of benchmark interest rates, including among others the British Bankers' Association London Interbank Offered Rate ("LIBOR"), may be terminated by the DOJ if UBS commits any US crime or otherwise fails to comply with the NPA, and the DOJ may obtain a criminal conviction of UBS in relation to the matters covered by the NPA. See paragraph 8 of this note for a description of the NPA. A guilty plea to, or conviction of, a crime (including as a result of termination of the NPA) could have material consequences for UBS. Resolution of regulatory proceedings may require UBS to obtain waivers of regulatory disqualifications to maintain certain operations, may entitle regulatory authorities to limit, suspend or terminate licenses and regulatory authorizations and may permit financial market utilities to limit, suspend or terminate its participation in such utilities. Failure to obtain such waivers, or any limitation, suspension or termination of licenses, authorizations or participations could have material consequences for UBS.

The risk of loss associated with litigation, regulatory and similar matters is a component of operational risk for purposes of determining UBS's capital requirements. Information concerning UBS's capital requirements and the calculation of operational risk for this purpose is included in the "Capital management" section of UBS AG's third quarter 2014 report.

Provisions for litigation, regulatory and similar matters by segment ⁽¹⁾⁽²⁾

| <i>CHF million</i> | WM | WMA | R&C | GI AM | IB | CC – CF | CC – NcLP | UBS |
|---|-------|------|------|-------|-------|---------|-----------|--------------|
| Balance as of 31 December 2013 | 165 | 56 | 82 | 3 | 22 | 488 | 808 | 1,622 |
| Balance as of 30 June 2014 | 510 | 131 | 137 | 36 | 25 | 319 | 823 | 1,980 |
| Increase in provisions recognised in the income statement | 16 | 58 | 0 | 0 | 1,688 | 1 | 93 | 1,856 |
| Release of provisions recognised in the income statement | (2) | (11) | 0 | 0 | 0 | (28) | 0 | (40) |
| Provisions used in conformity with designated purpose | (335) | (9) | (44) | 0 | (1) | 0 | (26) | (415) |
| Reclassifications | 0 | 0 | 0 | 0 | (2) | 0 | 0 | (2) |
| Foreign currency translation / unwind of discount | 3 | 12 | 0 | 1 | 1 | 4 | 69 | 91 |
| Balance as of 30 September 2014 | 192 | 182 | 93 | 37 | 1,712 | 296 | 959 | 3,469 |

(1) WM = Wealth Management; WMA = Wealth Management Americas; R&C = Retail & Corporate; GI AM = Global Asset Management; IB = Investment Bank; CC-CF = Corporate Center – Core Functions; CC-NcLP = Non-core and Legacy Portfolio.

(2) Provisions, if any, for the matters described in (a) item 4 of this section are recorded in Wealth Management, (b) items 7 of this section are recorded in Wealth Management Americas, (c) item 11 and item 12 of this section are recorded in the Investment Bank, (d) items 3 and 10 of this section are recorded in Corporate Center – Core Functions and (e) items 2 and 6 of this section are recorded in Corporate Center – Non-core and Legacy Portfolio. Provisions, if any, for the matters described in items 1 and 9 of this section are allocated between Wealth Management and Retail & Corporate, provisions for the matter described in item 5 of this section are allocated between the Investment Bank and Corporate Center – Non-core and Legacy Portfolio, and provisions for the matter described in item 8 of this section are allocated between the Investment Bank and Corporate Center – Core Functions.

Besides the proceedings specified below under (1) through (13), no governmental, legal or arbitration proceedings, which may have, or have had in the recent past, significant effects on UBS Group's and/or the Group's financial position or profitability, are or have been pending during the

last twelve months until the date of this document, nor is UBS aware that any such governmental, legal or arbitration proceedings are threatened.

1. Inquiries regarding cross-border wealth management businesses

Following the disclosure and the settlement of the U.S. cross-border matter, tax and regulatory authorities in a number of countries have made inquiries and served requests for information located in their respective jurisdictions relating to the cross-border wealth management services provided by UBS and other financial institutions. As a result of investigations in France, in May and June 2013, respectively, UBS (France) S.A. and UBS AG were put under formal examination ("mise en examen") for complicity in having illicitly solicited clients on French territory, and were declared witness with legal assistance ("témoin assisté") regarding the laundering of proceeds of tax fraud and of banking and financial solicitation by unauthorised persons. In July 2014, UBS AG was placed under formal examination with respect to the potential charges of laundering of proceeds of tax fraud, for which it had been previously declared witness with legal assistance, and the investigating judges ordered UBS to provide bail ("*caution*") of EUR 1.1 billion. UBS appealed the determination of the bail amount. In September 2014 the appeal court ("*Cour d'Appel*") upheld the initial determination of the bail amount and UBS subsequently posted the bail amount. UBS has further appealed the determination of the bail amount to the French Supreme Court ("*Cour de Cassation*") and intends to challenge the judicial process in the European Court of Human Rights. Separately, in June 2013, the French banking supervisory authority's disciplinary commission reprimanded UBS (France) S.A. for having had insufficiencies in its control and compliance framework around its cross-border activities and "know your customer" obligations. It imposed a penalty of EUR 10 million, which is under appeal but has been paid.

In Germany, two different authorities have been conducting investigations against UBS Deutschland AG and UBS AG, respectively, and against certain employees of these entities concerning certain matters relating to the past cross-border business. UBS is cooperating with these authorities within the limits of financial privacy obligations under Swiss and other applicable laws. UBS reached a settlement in July 2014 with the authorities in Bochum, concluding those proceedings. The settlement included a payment of approximately EUR 302 million. The proceedings by the authorities in Mannheim have not revealed sufficient evidence supporting the allegations being investigated.

In June 2014 the Belgian authorities searched the offices of UBS (Luxembourg) S.A. Belgium Branch.

UBS's balance sheet at 30 September 2014 reflected provisions with respect to matters described in this item 1 in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

2. Claims related to sales of residential mortgage-backed securities and mortgages

From 2002 through 2007, prior to the crisis in the U.S. residential loan market, UBS was a substantial issuer and underwriter of U.S. residential mortgage-backed securities ("RMBS") and was a purchaser and seller of U.S. residential mortgages. A subsidiary of UBS, UBS Real Estate Securities Inc. ("UBS RESI"), acquired pools of residential mortgage loans from originators and (through an affiliate) deposited them into securitisation trusts. In this manner, from 2004 through 2007, UBS RESI sponsored approximately USD 80 billion in RMBS, based on the original principal balances of the securities issued.

UBS RESI also sold pools of loans acquired from originators to third-party purchasers. These whole loan sales during the period 2004 through 2007 totaled approximately USD 19 billion in original principal balance.

UBS was not a significant originator of U.S. residential loans. A subsidiary of UBS originated approximately USD 1.5 billion in U.S. residential mortgage loans during the period in which it was active from 2006 to 2008, and securitised less than half of these loans.

Securities lawsuits concerning disclosures in RMBS offering documents: UBS is named as a defendant relating to its role as underwriter and issuer of RMBS in a large number of lawsuits related to approximately USD 13 billion in original face amount of RMBS underwritten or issued by UBS. Some of the lawsuits are in their early stages and have not advanced beyond the motion to dismiss phase; others are in varying stages of discovery. Of the USD 13 billion in original face amount of RMBS that remains at issue in these cases, approximately USD 3 billion was issued in offerings in which a UBS subsidiary transferred underlying loans (the majority of which were purchased from third-party originators) into a securitisation trust and made representations and warranties about those loans ("UBS-sponsored RMBS"). The remaining USD 10 billion of RMBS to which these cases relate was issued by third parties in securitisations in which UBS acted as underwriter ("third-party RMBS").

In connection with certain of these lawsuits, UBS has indemnification rights against surviving third-party issuers or originators for losses or liabilities incurred by UBS, but UBS cannot predict the extent to which it will succeed in enforcing those rights. A class action in which UBS was named as a defendant was settled by a third-party issuer and received final approval by the district court in 2013. The settlement reduced the original face amount of third-party RMBS at issue in the cases pending against UBS by approximately USD 24 billion. The third-party issuer will fund the settlement at no cost to UBS. In January 2014, certain objectors to the settlement filed a notice of appeal from the district court's approval of the settlement.

Loan repurchase demands related to sales of mortgages and RMBS: When UBS acted as an RMBS sponsor or mortgage seller, it generally made certain representations relating to the characteristics of the underlying loans. In the event of a material breach of these representations, UBS was in certain circumstances contractually obligated to repurchase the loans to which they related or to indemnify certain parties against losses. UBS has received demands to repurchase U.S. residential mortgage loans as to which UBS made certain representations at the time the loans were transferred to the securitisation trust. UBS has been notified by certain institutional purchasers of mortgage loans and RMBS of their contention that possible breaches of representations may entitle the purchasers to require that UBS repurchase the loans or to other relief. The table "Loan repurchase demands by year received – original principal balance of loans" summarises repurchase demands received by UBS and UBS's repurchase activity from 2006 through 21 October 2014. In the table, repurchase demands characterised as "Demands resolved in litigation" and "Demands rescinded by counterparty" are considered to be finally resolved. Repurchase demands in all other categories are not finally resolved.

Loan repurchase demands by year received – original principal balance of loans ⁽¹⁾

| <i>USD million</i> | 2006-2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014, through 21 October | Total |
|---|------------|------------|------------|--------------|--------------|------------|--------------------------|--------------|
| Resolved demands | | | | | | | | |
| Actual or agreed loan repurchases / make whole payments by UBS | 12 | 1 | | | | | | 13 |
| Demands rescinded by counterparty | 110 | 104 | 19 | 303 | 237 | | | 773 |
| Demands resolved in litigation | 1 | 21 | | | | | | 21 |
| Demands expected to be resolved by third parties | | | | | | | | |
| Demands resolved or expected to be resolved through enforcement of indemnification rights against third-party originators | | 77 | 2 | 45 | 107 | 99 | 72 | 403 |
| Demands in dispute | | | | | | | | |
| Demands in litigation | | | 346 | 732 | 1,041 | | | 2,118 |
| Demands in review by UBS | | | | 2 | | | | 3 |
| Demands rebutted by UBS but not yet rescinded by counterparty | | 1 | 2 | 1 | 18 | 519 | 259 | 801 |
| Total | 122 | 205 | 368 | 1,084 | 1,404 | 618 | 332 | 4,132 |

(1) Loans submitted by multiple counterparties are counted only once.

Payments that UBS has made to date to resolve repurchase demands equate to approximately 62% of the original principal balance of the related loans. Most of the payments that UBS has

made to date have related to so-called "Option ARM" loans; severity rates may vary for other types of loans with different characteristics. Losses upon repurchase would typically reflect the estimated value of the loans in question at the time of repurchase, as well as, in some cases, partial repayment by the borrowers or advances by servicers prior to repurchase.

In most instances in which UBS would be required to repurchase loans due to misrepresentations, UBS would be able to assert demands against third-party loan originators who provided representations when selling the related loans to UBS. However, many of these third parties are insolvent or no longer exist. UBS estimates that, of the total original principal balance of loans sold or securitised by UBS from 2004 through 2007, less than 50% was purchased from surviving third-party originators. In connection with approximately 60% of the loans (by original principal balance) for which UBS has made payment or agreed to make payment in response to demands received in 2010, UBS has asserted indemnity or repurchase demands against originators. Since 2011, UBS has advised certain surviving originators of repurchase demands made against UBS for which UBS would be entitled to indemnity, and has asserted that such demands should be resolved directly by the originator and the party making the demand.

UBS cannot reliably estimate the level of future repurchase demands, and does not know whether its rebuttals of such demands will be a good predictor of future rates of rebuttal. UBS also cannot reliably estimate the timing of any such demands.

Lawsuits related to contractual representations and warranties concerning mortgages and RMBS: In 2012, certain RMBS trusts filed an action in the Southern District of New York ("Trustee Suit") seeking to enforce UBS RESI's obligation to repurchase loans in the collateral pools for three RMBS securitisations ("Transactions") with an original principal balance of approximately USD 2 billion for which Assured Guaranty Municipal Corp. ("Assured Guaranty"), a financial guaranty insurance company, had previously demanded repurchase. Plaintiffs in the Trustee Suit have recently indicated that they intend to seek damages beyond the loan repurchase demands identified in the complaint, specifically for all loans purportedly in breach of representations and warranties in any of the three Transactions. With respect to the loans subject to the Trustee Suit that were originated by institutions still in existence, UBS intends to enforce its indemnity rights against those institutions. Related litigation brought by Assured Guaranty was resolved in 2013.

In 2012, the FHFA, on behalf of Freddie Mac, filed a notice and summons in New York Supreme Court initiating suit against UBS RESI for breach of contract and declaratory relief arising from alleged breaches of representations and warranties in connection with certain mortgage loans and UBS RESI's alleged failure to repurchase such mortgage loans. The lawsuit seeks, among other relief, specific performance of UBS RESI's alleged loan repurchase obligations for at least USD 94 million in original principal balance of loans for which Freddie Mac had previously demanded repurchase; no damages are specified. In 2013, the Court dismissed the complaint for lack of standing, on the basis that only the RMBS trustee could assert the claims in the complaint, and the complaint was unclear as to whether the trustee was the plaintiff and had proper authority to bring suit. The trustee subsequently filed an amended complaint, which UBS moved to dismiss. The motion remains pending.

In 2013, Residential Funding Company LLC ("RFC") filed a complaint in New York Supreme Court against UBS RESI asserting claims for breach of contract and indemnification in connection with loans purchased from UBS RESI with an original principal balance of at least USD 460 million that were securitised by an RFC affiliate. This is the first case filed against UBS seeking damages allegedly arising from the securitisation of whole loans purchased from UBS. Damages are unspecified.

UBS also has tolling agreements with certain institutional purchasers of RMBS concerning their potential claims related to substantial purchases of UBS-sponsored or third-party RMBS.

As reflected in the table "Provision for claims related to sales of residential mortgage-backed securities and mortgages", UBS's balance sheet at 30 September 2014 reflected a provision of USD 905 million with respect to matters described in this item 2. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of this matter cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognised.

Provision for claims related to sales of residential mortgage-backed securities and mortgages

| <i>USD million</i> | |
|---|------------|
| Balance as of 31 December 2013 | 807 |
| Balance as of 30 June 2014 | 817 |
| Increase in provision recognised in the income statement..... | 104 |
| Release of provision recognised in the income statement..... | 0 |
| Provision used in conformity with designated purpose..... | (17) |
| Balance as of 30 September 2014 | 905 |

Mortgage-related regulatory matters: In August 2014, UBS received a subpoena from the US Attorney's Office for the Eastern District of New York issued pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), which seeks documents and information related to UBS's RMBS business from 2005 through 2007. UBS has also been responding to a subpoena from the New York State Attorney General (NYAG) relating to its RMBS business. In September 2014, the Commonwealth of Virginia filed an action in intervention in Virginia state court against UBS and several other financial institutions alleging violations of the Virginia Fraud Against Taxpayers Act and asserting claims of fraud and constructive fraud in connection with the Virginia Retirement System's purchases of certain RMBS. In addition, UBS has also been responding to inquiries from both the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) (who is working in conjunction with the US Attorney's Office for Connecticut and the DOJ) and the US Securities and Exchange Commission (SEC) relating to trading practices in connection with purchases and sales of mortgage-backed securities in the secondary market from 2009 through the present. UBS is cooperating with the authorities in these matters. Numerous other banks reportedly are responding to similar inquiries from these authorities.

3. Claims related to UBS disclosure

A putative consolidated class action has been filed in the United States District Court for the Southern District of New York against UBS, a number of current and former directors and senior officers and certain banks that underwrote UBS's May 2008 Rights Offering (including UBS Securities LLC (UBSS)) alleging violation of the U.S. securities laws in connection with UBS's disclosures relating to UBS's positions and losses in mortgage-related securities, UBS's positions and losses in auction rate securities, and UBS's U.S. crossborder business. In 2011, the court dismissed all claims based on purchases or sales of UBS ordinary shares made outside the U.S., and, in 2012, the court dismissed with prejudice the remaining claims based on purchases or sales of UBS ordinary shares made in the U.S. for failure to state a claim. In May 2014, the Second Circuit upheld the dismissal of the complaint and the matter is now concluded. UBS, a number of senior officers and employees and various UBS committees have also been sued in a putative consolidated class action for breach of fiduciary duties brought on behalf of current and former participants in two UBS Employee Retirement Income Security Act ("ERISA") retirement plans in which there were purchases of UBS stock. In 2011, the court dismissed the ERISA complaint. In 2012, the court denied plaintiffs' motion for leave to file an amended complaint. On appeal, the Second Circuit upheld the dismissal of all counts relating to one of the retirement plans. With respect to the second retirement plan, the Court upheld the dismissal of some of the counts, and vacated and remanded for further proceedings with regard to the counts alleging that defendants had violated their fiduciary duty to prudently manage the plan's investment options, as well as the claims derivative of that duty. In September 2014, the trial court dismissed the remaining claims. Plaintiffs have filed a notice of appeal.

In 2012, a consolidated complaint was filed in a putative securities fraud class action pending in federal court in Manhattan against UBS AG and certain of its current and former officers relating to the unauthorised trading incident that occurred in the Investment Bank and was announced in September 2011. The lawsuit was filed on behalf of parties who purchased publicly traded UBS securities on any U.S. exchange, or where title passed within the U.S., during the period 17 November 2009 through 15 September 2011. In 2013, the district court granted UBS's motion to dismiss the complaint in its entirety. Plaintiffs have filed an appeal.

4. Madoff

In relation to the Bernard L. Madoff Investment Securities LLC (“BMIS”) investment fraud, UBS AG, UBS (Luxembourg) SA and certain other UBS subsidiaries have been subject to inquiries by a number of regulators, including the Swiss Financial Market Supervisory Authority (“FINMA”) and the Luxembourg Commission de Surveillance du Secteur Financier (“CSSF”). Those inquiries concerned two third-party funds established under Luxembourg law, substantially all assets of which were with BMIS, as well as certain funds established in offshore jurisdictions with either direct or indirect exposure to BMIS. These funds now face severe losses, and the Luxembourg funds are in liquidation. The last reported net asset value of the two Luxembourg funds before revelation of the Madoff scheme was approximately USD 1.7 billion in the aggregate, although that figure likely includes fictitious profit reported by BMIS. The documentation establishing both funds identifies UBS entities in various roles including custodian, administrator, manager, distributor and promoter, and indicates that UBS employees serve as board members. UBS (Luxembourg) SA and certain other UBS subsidiaries are responding to inquiries by Luxembourg investigating authorities, without however being named as parties in those investigations. In 2009 and 2010, the liquidators of the two Luxembourg funds filed claims on behalf of the funds against UBS entities, non-UBS entities and certain individuals including current and former UBS employees. The amounts claimed are approximately EUR 890 million and EUR 305 million, respectively. The liquidators have filed supplementary claims for amounts that the funds may possibly be held liable to pay the BMIS Trustee. These amounts claimed by the liquidator are approximately EUR 564 million and EUR 370 million, respectively. In addition, a large number of alleged beneficiaries have filed claims against UBS entities (and non-UBS entities) for purported losses relating to the Madoff scheme. The majority of these cases are pending in Luxembourg, where appeals have been filed by the claimants against the 2010 decisions of the court in which the claims in a number of test cases were held to be inadmissible. In the U.S., the BMIS Trustee filed claims in 2010 against UBS entities, among others, in relation to the two Luxembourg funds and one of the offshore funds. The total amount claimed against all defendants in these actions was not less than USD 2 billion. Following a motion by UBS, in 2011, the District Court dismissed all of the BMIS Trustee’s claims other than claims for recovery of fraudulent conveyances and preference payments that were allegedly transferred to UBS on the ground that the BMIS Trustee lacks standing to bring such claims. In 2013, the Second Circuit Court of Appeals affirmed the District Court’s decision and, in June 2014, the U.S. Supreme Court denied the BMIS Trustee’s petition seeking review of the Court of Appeals ruling. In Germany, certain clients of UBS are exposed to Madoff-managed positions through third-party funds and funds administered by UBS entities in Germany. A small number of claims have been filed with respect to such funds.

5. Transactions with Italian public sector entities

A number of transactions that UBS Limited and UBS AG respectively entered into with public sector entity counterparties in Italy have been called into question or become the subject of legal proceedings and claims for damages and other awards. In Milan, in 2012, civil claims brought by the City of Milan against UBS Limited, UBS Italia SIM Spa and three other international banks in relation to a 2005 bond issue and associated derivatives transactions entered into with Milan between 2005 and 2007 were settled without admission of liability. In 2012, the criminal court in Milan issued a judgment convicting two current UBS employees and one former employee, together with employees from the three other banks, of fraud against a public entity in relation to the same bond issue and the execution, and subsequent restructuring, of the related derivative transactions. In the same proceedings, the Milan criminal court also found UBS Limited and three other banks liable for the administrative offense of failing to have in place a business organisational model capable of preventing the criminal offenses of which its employees were convicted. The sanctions imposed against UBS Limited, which could only become effective after all appeals were exhausted, were confiscation of the alleged level of profit flowing from the criminal findings (EUR 16.6 million), a fine in respect of the finding of the administrative offense (EUR 1 million) and payment of legal fees. UBS Limited and the individuals appealed that judgment and, in March 2014, the Milan Court of Appeal overturned all findings of liability against UBS Limited and convictions of the UBS individuals and acquitted them. It issued a full judgment setting out the reasons for its rulings in June 2014. The appellate prosecutor did not pursue a further appeal and the acquittals are now final.

Derivative transactions with the Regions of Calabria, Tuscany, Lombardy, Lazio and Campania, and the City of Florence have also been called into question or become the subject of legal proceedings

and claims for damages and other awards. UBS AG and UBS Limited have settled all civil disputes with the Regions of Tuscany, Lombardy, Lazio and Calabria and the City of Florence without any admission of liability.

6. Kommunale Wasserwerke Leipzig GmbH ("KWL")

In 2006, KWL entered into a single-tranche collateralized debt obligation/credit default swap ("STCDO/CDS") transaction with UBS, with latter legs being intermediated in 2006 and 2007 by Landesbank Baden-Württemberg ("LBBW") and Depfa Bank plc ("Depfa"). KWL retained UBS Global Asset Management to act as portfolio manager under the STCDO/CDS. UBS and the intermediating banks terminated the STCDO/CDS following non-payment by KWL under the STCDOs. UBS claims payment of approximately USD 319.8 million, plus interest, from KWL, Depfa and LBBW, which remains unpaid.

In 2010, UBS (UBS AG, UBS Limited and UBS Global AM) issued proceedings in London against KWL, Depfa and LBBW seeking declarations and/or to enforce the terms of the STCDO/CDS contracts. Each of KWL, Depfa and LBBW filed counterclaims which UBS has been defending. KWL amended its pleading in June 2014 and LBBW and Depfa also amended their pleadings to allege fraudulent misrepresentation. UBS has denied these claims. Trial began in April 2014 and concluded in July 2014. A decision is expected in the fourth quarter of 2014.

In separate proceedings brought by KWL against LBBW in Leipzig, Germany, the court ruled in LBBW's favor in June 2013 and upheld the validity of the STCDO as between LBBW and KWL. KWL has appealed against that ruling and, in May 2014, the appeal court ruled that further evidence be taken on two issues, which is likely to take several months.

In 2011, the former managing director of KWL and two financial advisers were convicted in Leipzig, Germany, on criminal charges related to certain KWL transactions, including swap transactions with UBS and other banks. Following further criminal proceedings brought against them in Dresden, Germany, relating to the same transactions, they were each convicted of embezzlement in 2013 and given longer sentences. All three have lodged appeals.

Since 2011, the SEC has been conducting an investigation focused on, among other things, the suitability of the KWL transaction, and information provided by UBS to KWL. UBS has provided documents and testimony to the SEC and is continuing to cooperate with the SEC.

UBS's balance sheet at 30 September 2014 reflected provisions with respect to matters described in this item 6 in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

7. Puerto Rico

Declines in the market prices of Puerto Rico municipal bonds and of UBS Puerto Rico sole-managed and co-managed closed-end funds (the funds) since August 2013 have led to multiple regulatory inquiries, as well as customer complaints and arbitrations with aggregate claimed damages exceeding USD 900 million. The claims are filed by clients in Puerto Rico who own the funds or Puerto Rico municipal bonds and/or who used their UBS account assets as collateral for UBS non-purpose loans and whose allegations include fraud, misrepresentation and unsuitability of the funds and of the loans. A shareholder derivative action also was filed in February 2014 against various UBS entities and current and certain former directors of the funds, alleging hundreds of millions in losses in the funds. In May 2014, a federal class action complaint was filed against various UBS entities, certain members of UBS Puerto Rico senior management, and the co-manager of certain of the funds seeking damages for investor losses in the funds during the period from May 2008 through May 2014.

An internal review also disclosed that certain clients, many of whom acted at the recommendation of one financial advisor, invested proceeds of non-purpose loans in closed-end fund securities in contravention of their loan agreements.

In October 2014 UBS reached a settlement with the Office of the Commissioner of Financial Institutions for the Commonwealth of Puerto Rico (OCFI) in connection with OCFI's examination of UBS's operations from January 2006 through September 2013. Pursuant to the settlement UBS will contribute USD 3.5 million to an investor education fund and will offer USD 1.68 million in restitution to certain investors.

In 2011, a purported derivative action was filed on behalf of the Employee Retirement System of the Commonwealth of Puerto Rico ("System") against over 40 defendants, including UBS Financial Services Inc. of Puerto Rico ("UBS PR") and other consultants and underwriters, trustees of the System, and the President and Board of the Government Development Bank of Puerto Rico. The plaintiffs alleged that defendants violated their purported fiduciary duties and contractual obligations in connection with the issuance and underwriting of approximately USD 3 billion of bonds by the System in 2008 and sought damages of over USD 800 million. UBS is named in connection with its underwriting and consulting services. In 2013, the case was dismissed by the Puerto Rico Court of First Instance on the grounds that plaintiffs did not have standing to bring the claim. That dismissal was subsequently overturned by the Puerto Rico Court of Appeals. UBS's petitions for appeal and reconsideration have been denied by the Supreme Court of Puerto Rico.

Also, in 2013, an SEC Administrative Law Judge dismissed a case brought by the SEC against two UBS executives, finding no violations. The charges had stemmed from the SEC's investigation of UBS's sale of closed-end funds in 2008 and 2009, which UBS settled in 2012. Beginning in 2012 two federal class action complaints, which were subsequently consolidated, were filed against various UBS entities, certain of the funds, and certain members of UBS Puerto Rico senior management, seeking damages for investor losses in the funds during the period from January 2008 through May 2012 based on allegations similar to those in the SEC action. Plaintiffs in that action and the federal class action filed in May 2014 described above are now seeking to have those two actions consolidated.

UBS's balance sheet at 30 September 2014 reflected provisions with respect to matters described in this item 7 in amounts that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provisions that UBS has recognised.

8. Foreign exchange, LIBOR and benchmark rates

Foreign exchange-related regulatory matters: Following an initial media report in 2013 of widespread irregularities in the foreign exchange markets, UBS immediately commenced an internal review of its foreign exchange business, which includes UBS's precious metal and related structured products businesses. Since then, various authorities reportedly have commenced investigations concerning possible manipulation of foreign exchange markets, including FINMA, the Swiss Competition Commission ("WEKO"), the DOJ, the U.S. Commodity Futures Trading Commission ("CFTC"), the Federal Reserve Board, the UK Financial Conduct Authority ("FCA") (to which certain responsibilities of the U.K. Financial Services Authority ("FSA") have passed), the UK Serious Fraud Office ("SFO") and the Hong Kong Monetary Authority ("HKMA"). WEKO stated in March 2014 that it had reason to believe that certain banks may have colluded to manipulate foreign exchange rates. A number of authorities also reportedly are investigating potential manipulation of precious metal prices. UBS and other financial institutions have received requests from various authorities relating to their foreign exchange businesses, and UBS is cooperating with the authorities. UBS has taken and will take appropriate action with respect to certain personnel as a result of its ongoing review.

Some investigating authorities have initiated discussions of possible terms of a resolution of their investigations. Resolutions may include findings that UBS engaged in attempted or actual misconduct and failed to have controls in relation to its foreign exchange business that were adequate to prevent misconduct. Authorities may impose material monetary penalties, require remedial action plans or impose other non-monetary penalties. In connection with discussions of a possible resolution of investigations relating to UBS's foreign exchange business with the Antitrust and Criminal Divisions of the DOJ, UBS and the DOJ have agreed in principle to extend the term of the NPA by one year to 18 December 2015. No agreement has been reached on the form of a

resolution with the Antitrust or Criminal Division of the DOJ. It is possible that other investigating authorities may seek to commence discussions of potential resolutions in the near future. UBS is not able to predict whether any such discussion will result in a resolution of these matters, whether any resolution will be on terms similar to those described above, or the monetary, remedial and other terms on which any such resolution may be achieved.

Foreign exchange-related civil litigation: Several putative class actions have been filed since November 2013 in U.S. federal courts against UBS and other banks. These actions are on behalf of putative classes of persons who engaged in foreign currency transactions. They allege collusion by the defendants and assert claims under the antitrust laws and for unjust enrichment. The defendants (including UBS) have filed motions to dismiss.

LIBOR and other benchmark-related regulatory matters: Numerous government agencies, including the SEC, the CFTC, the DOJ, the FCA, the SFO, the Monetary Authority of Singapore ("MAS"), the HKMA, FINMA, the various state attorneys general in the U.S., and competition authorities in various jurisdictions have conducted or are continuing to conduct investigations regarding submissions with respect to LIBOR and other benchmark rates, including HIBOR (Hong Kong Interbank Offered Rate) and ISDAFIX. These investigations focus on whether there were improper attempts by UBS (among others), either acting on its own or together with others, to manipulate LIBOR and other benchmark rates at certain times.

In 2012, UBS reached settlements with the FSA, the CFTC and the Criminal Division of the DOJ in connection with their investigations of benchmark interest rates. At the same time, FINMA issued an order concluding its formal proceedings with respect to UBS relating to benchmark interest rates. UBS has paid a total of approximately CHF 1.4 billion in fines and disgorgement – including GBP 160 million in fines to the FSA, USD 700 million in fines to the CFTC, USD 500 million in fines to the DOJ, and CHF 59 million in disgorgement to FINMA. UBS Securities Japan Co. Ltd. ("UBSSJ") entered into a plea agreement with the DOJ under which it entered a plea to one count of wire fraud relating to the manipulation of certain benchmark interest rates, including Yen LIBOR. UBS entered into a NPA with the DOJ, which (along with the plea agreement) covered conduct beyond the scope of the conditional leniency / immunity grants described below, required UBS to pay the USD 500 million fine to DOJ after the sentencing of UBSSJ, and provided that any criminal penalties imposed on UBSSJ at sentencing be deducted from the USD 500 million fine. The conduct described in the various settlements and the FINMA order includes certain UBS personnel: engaging in efforts to manipulate submissions for certain benchmark rates to benefit trading positions; colluding with employees at other banks and cash brokers to influence certain benchmark rates to benefit their trading positions; and giving inappropriate directions to UBS submitters that were in part motivated by a desire to avoid unfair and negative market and media perceptions during the financial crisis. The benchmark interest rates encompassed by one or more of these resolutions include Yen LIBOR, GBP LIBOR, CHF LIBOR, Euro LIBOR, USD LIBOR, EURIBOR (Euro Interbank Offered Rate) and Euroyen TIBOR (Tokyo Interbank Offered Rate). UBS has ongoing obligations to cooperate with authorities with which it has reached resolutions and to undertake certain remediation with respect to benchmark interest rate submissions. In addition, under the NPA, UBS has agreed, among other things, that for two years from 18 December 2012 UBS will not commit any U.S. crime, and it will advise DOJ of any potentially criminal conduct by UBS or any of its employees relating to violations of U.S. laws concerning fraud or securities and commodities markets. Any failure to comply with these obligations could result in termination of the NPA and potential criminal prosecution in relation to the matters covered by the NPA. The MAS, HKMA, the Australian Securities and Investments Commission ("ASIC") and the Japan Financial Services Agency have all resolved investigations of UBS (and in some cases other banks). The orders or undertakings in connection with these investigations generally require UBS to take remedial actions to improve its processes and controls, impose monetary penalties or other measures. Investigations by the CFTC, ASIC and other governmental authorities remain ongoing notwithstanding these resolutions. In October 2014, UBS reached a settlement with the European Commission regarding its investigation of bid-ask spreads in connection with Swiss franc interest rate derivatives and agreed to pay a EUR 12.7 million fine, which was reduced to this level based in part on UBS's cooperation with the Commission.

UBS has been granted conditional leniency or conditional immunity from authorities in certain jurisdictions, including the Antitrust Division of the DOJ, WEKO and the European Commission, in connection with potential antitrust or competition law violations related to submissions for Yen LIBOR and Euroyen TIBOR. WEKO has also granted UBS conditional immunity in connection with potential competition law violations related to submissions for Swiss franc LIBOR and certain

transactions related to Swiss franc LIBOR. The Canadian Competition Bureau (“Bureau”) had granted UBS conditional immunity in connection with potential competition law violations related to submissions for Yen LIBOR, but in January 2014, the Bureau discontinued its investigation into Yen LIBOR for lack of sufficient evidence to justify prosecution under applicable laws. As a result of these conditional grants, UBS will not be subject to prosecutions, fines or other sanctions for antitrust or competition law violations in the jurisdictions where it has conditional immunity or leniency in connection with the matters covered by the conditional grants, subject to its continuing cooperation. However, the conditional leniency and conditional immunity grants UBS has received do not bar government agencies from asserting other claims and imposing sanctions against UBS, as evidenced by the settlements and ongoing investigations referred to above. In addition, as a result of the conditional leniency agreement with the DOJ, UBS is eligible for a limit on liability to actual rather than treble damages were damages to be awarded in any civil antitrust action under U.S. law based on conduct covered by the agreement and for relief from potential joint and several liability in connection with such civil antitrust action, subject to UBS satisfying the DOJ and the court presiding over the civil litigation of its cooperation. The conditional leniency and conditional immunity grants do not otherwise affect the ability of private parties to assert civil claims against UBS.

LIBOR and other benchmark-related civil litigation: A number of putative class actions and other actions are pending in, or expected to be transferred to, the federal courts in New York against UBS and numerous other banks on behalf of parties who transacted in certain interest rate benchmark-based derivatives linked directly or indirectly to U.S. dollar LIBOR, Yen LIBOR, Euroyen TIBOR and EURIBOR. Also pending are actions asserting losses related to various products whose interest rate was linked to U.S. dollar LIBOR, including adjustable rate mortgages, preferred and debt securities, bonds pledged as collateral, loans, depository accounts, investments and other interest bearing instruments. All of the complaints allege manipulation, through various means, of various benchmark interest rates, including LIBOR, Euroyen TIBOR or EURIBOR rates and seek unspecified compensatory and other damages, including treble and punitive damages, under varying legal theories that include violations of the U.S. Commodity Exchange Act, the federal racketeering statute, federal and state antitrust and securities laws and other state laws. In 2013, a federal court in New York dismissed the federal antitrust and racketeering claims of certain U.S. dollar LIBOR plaintiffs and a portion of their claims brought under the Commodity Exchange Act (“CEA”) and state common law. The court has granted certain plaintiffs permission to assert claims for unjust enrichment and breach of contract against UBS and other defendants and limited the CEA claims to contracts purchased between 15 April 2009 and May 2010. Certain plaintiffs have also appealed the dismissal of their antitrust claims, but the appellate court denied these appeals as premature, without prejudice to bringing the appeals again after final disposition of the LIBOR actions. UBS and other defendants in other lawsuits including the one related to Euroyen TIBOR have filed motions to dismiss. In March 2014, the court in the Euroyen TIBOR lawsuit dismissed the plaintiff's federal antitrust and state unfair enrichment claims, and dismissed a portion of the plaintiff's CEA claims. Discovery is currently stayed.

Since September 2014, putative class actions have been filed in federal court in New York and New Jersey against UBS and other financial institutions, among others, on behalf of parties who entered into interest rate derivative transactions linked to ISDAFIX, a benchmark rate used for various interest rate derivatives and other financial instruments. The complaints allege that the defendants conspired to manipulate ISDAFIX rates from 1 January 2006, through January 2014, in violation of US antitrust laws and the CEA, among other theories, and seeks unspecified compensatory damages, including treble damages.

With respect to additional matters and jurisdictions not encompassed by the settlements and order referred to above, UBS's balance sheet at 30 September 2014 reflected a provision in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognised.

9. Swiss retrocessions

The Swiss Supreme Court ruled in 2012, in a test case against UBS, that distribution fees paid to a bank for distributing third party and intra-group investment funds and structured products must

be disclosed and surrendered to clients who have entered into a discretionary mandate agreement with the bank, absent a valid waiver.

FINMA has issued a supervisory note to all Swiss banks in response to the Supreme Court decision. The note sets forth the measures Swiss banks are to adopt, which include informing all affected clients about the Supreme Court decision and directing them to an internal bank contact for further details. UBS has met the FINMA requirements and has notified all potentially affected clients.

It is expected that the Supreme Court decision will result in a significant number of client requests for UBS to disclose and potentially surrender retrocessions. Client requests are being assessed on a case-by-case basis. Considerations to be taken into account when assessing these cases include, among others, the existence of a discretionary mandate and whether or not the client documentation contained a valid waiver with respect to distribution fees.

UBS's balance sheet at 30 September 2014 reflected a provision with respect to matters described in this item 9 in an amount that UBS believes to be appropriate under the applicable accounting standard. The ultimate exposure will depend on client requests and the resolution thereof, factors that are difficult to predict and assess. Hence, as in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information, and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognised.

10. Banco UBS Pactual tax indemnity

Pursuant to the 2009 sale of Banco UBS Pactual S.A. ("Pactual") by UBS to BTG Investments, LP ("BTG"), BTG has submitted contractual indemnification claims that UBS estimates amount to approximately BRL 2.6 billion, including interest and penalties, which is net of liabilities retained by BTG. The claims pertain principally to several tax assessments issued by the Brazilian tax authorities against Pactual relating to the period from December 2006 through March 2009, when UBS owned Pactual. The majority of these assessments relate to the deductibility of goodwill amortization in connection with UBS's 2006 acquisition of Pactual and payments made to Pactual employees through various profit sharing plans. These assessments are being or will be challenged in administrative proceedings.

In May 2014, UBS was notified that the administrative court had rendered a decision in favor of the taxpayer, Pactual, in connection with a profit sharing plan assessment relating to an affiliate company. In August 2014, UBS was notified that the administrative court had rendered a decision that was largely in favor of the tax authority with respect to the goodwill amortization assessment. UBS is awaiting written decisions from the administrative court for these matters, at which time appeals will be taken.

In 2013 and 2014, approximately BRL 163 million in tax claims relating to the period for which UBS has indemnification obligations, and for which UBS established provisions, were submitted for settlement through amnesty programs announced by the Brazilian government.

11. Matters relating to the CDS market

In 2013 the EC issued a Statement of Objections against thirteen credit default swap ("CDS") dealers including UBS, as well as data service provider Markit and the International Swaps and Derivatives Association ("ISDA"). The Statement of Objections broadly alleges that the dealers infringed EU antitrust rules by colluding to prevent exchanges from entering the credit derivatives market between 2006 and 2009. UBS submitted its response to the Statement of Objections in January 2014 and presented UBS's position in an oral hearing in May 2014. Since mid-2009, the Antitrust Division of the DOJ has also been investigating whether multiple dealers, including UBS, conspired with each other and with Markit to restrain competition in the markets for CDS trading, clearing and other services. In January and April 2014, putative class action plaintiffs filed consolidated amended complaints in the Southern District of New York against twelve dealers, including UBS, as well as Markit and ISDA, alleging violations of the U.S. Sherman Antitrust Act and common law. Plaintiffs allege that the defendants unlawfully conspired to restrain competition in and/or monopolise the market for CDS trading in the U.S. in order to protect the dealers' profits

from trading CDS in the over-the-counter market. Plaintiffs assert claims on behalf of all purchasers and sellers of CDS that transacted directly with any of the dealer defendants since 1 January 2008, and seek unspecified trebled compensatory damages and other relief. In September 2014, the court granted in part and denied in part defendants' motions to dismiss the complaint.

12. Equities trading systems and practices

UBS is responding to inquiries concerning the operation of UBS's alternative trading system ("ATS") (also referred to as a dark pool) and its securities order routing and execution practices from various authorities, including the SEC, the NYAG and FINRA, who reportedly are pursuing similar investigations industry-wide. These inquiries include an SEC investigation that began in early 2012 concerning features of UBS's ATS, including certain order types and disclosure practices that were discontinued two years ago. UBS is cooperating in these matters. In addition, UBS was among dozens of defendants, including broker dealers, trading exchanges, high frequency trading firms, and dark pool sponsors, named in putative class actions pending in New York federal court, which have been filed on behalf of purchasers and sellers of equity securities. The lawsuits allege principally that the defendants' equities order handling practices favored high frequency trading firms at the expense of other market participants, in violation of the federal securities laws. Plaintiffs filed a consolidated amended complaint in September 2014 in which UBS is no longer named as a defendant.

13. Lehman principal protection notes

From March 2007 through September 2008, UBS Financial Services Inc. ("UBSFS") sold approximately USD 1 billion face amount of structured notes issued by Lehman Brothers Holdings Inc. ("Lehman"), a majority of which were referred to as "principal protection notes," reflecting the fact that while the notes' return was in some manner linked to market indices or other measures, some or all of the investor's principal was an unconditional obligation of Lehman as issuer of the notes. Based on its role as an underwriter of Lehman structured notes, UBSFS was named as a defendant in a putative class action asserting violations of disclosure provisions of the federal securities laws. In August 2013, UBSFS agreed to a proposed USD 120 million settlement of the case, which was approved by the Court in December 2013. Previously, certain of the other underwriter defendants and the former officers and directors of Lehman reached separate settlements regarding the same case. UBSFS also has been named in numerous individual civil suits and customer arbitrations, a small number of which were pending as of 30 September 2014. The individual customer claims, some of which have resulted in awards payable by UBSFS, relate primarily to whether UBSFS adequately disclosed the risks of these notes to its customers."

In the section headed "XII. Significant Changes in the Financial or Trading Position; Material Adverse Change in Prospects" (page 44 of the Registration Document) the first sentence is replaced as follows:

"There has been no significant change in the financial or trading position of UBS Group or of UBS AG since 30 September 2014."

In the section headed "XIV. Documents on Display" (page 44 of the Registration Document) the third bullet point is replaced as follows:

"

- UBS's report for the quarter ended on 31 March 2014, 30 June 2014 and 30 September 2014 (including unaudited consolidated financial statements); and"

The quarterly report of UBS AG as at 30 September 2014 contained in the Appendix hereto is added as Appendix 4 to the Registration Document.

2) Summary English Language

(i) in relation to the Base Prospectus dated 23 July 2013 for Money Market Switch Notes
in the section
"Summary of the Base Prospectus" in the section headed
"Section B – Issuer"

(ii) in relation to the Base Prospectus dated 18 October 2013 for the Issuance of Fixed Income Securities (Cash)
in the section
"Summary" in the section headed
"Section B – Issuer"

(iii) in relation to the Base Prospectus dated 14 January 2014 for the Issuance of Fixed Income Securities (Rates)
in the section
" Summary of the Base Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(iv) in relation to the Prospectus dated 24 February 2014 for the Issuance of up to 500,000 UBS Open-End Certificates based on the UBS Global Emerging Markets (GEM) RADA Strategy Index (ISIN DE000UBSOEM8)
in the section
" Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(v) in relation to the Base Prospectus dated 10 March 2014 for the Issuance of UBS Performance Securities
in the section
"Summary of the Base Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(vi) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (CHF) (ISIN DE000US6GGP2)
in the section
" Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(vii) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (EUR) (ISIN DE000US5F0W8)
in the section
" Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(viii) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (USD) (ISIN DE000US5F185)
in the section
"Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(ix) in relation to the Base Prospectus dated 3 June 2014 for the Issuance of Warrants
in the section

"Summary of the Base Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(x) in relation to the Base Prospectus dated 30 June 2014 for the Issuance of Securities in the section "Summary of the Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xi) in relation to the Prospectus dated 7 July 2014 for the Issuance of up to 100,000 Strategy Certificates (ISIN DE000UBS1CF4) in the section "Summary of the Base Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xii) in relation to the Base Prospectus dated 17 July 2014 for the Issuance of Fixed Income Securities (Cash) in the section "Summary of the Base Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xiii) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (CHF) (ISIN CH0224696473) in the section "Summary of the Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xiv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (EUR) (ISIN CH0224696499) in the section "Summary of the Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0224696481) in the section "Summary of the Prospectus (in the English Language)" in the section headed "Section B – Issuer"

(xvi) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0252510745) in the section "Summary of the Prospectus (in the English Language)" in the section headed "Section B – Issuer"

the Elements B.4b, B.5 and B.12 are completely replaced as follows:

| Element | Section B – Issuer | |
|-------------|--------------------|--|
| B.4b | Trends. | Trend Information As stated in UBS AG's third quarter report issued on 28 October 2014 (including the Group's unaudited consolidated financial statements), at the start of the fourth |

| | | |
|-------------|--|---|
| | | <p>quarter of 2014, many of the underlying challenges and geopolitical issues that the Group has previously highlighted remain and in some cases have intensified. A number of new concerns have arisen including the fear of risks related to the Ebola virus. The mixed outlook for global growth, the absence of sustained and credible improvements to unresolved issues in Europe, continuing U.S. fiscal and monetary policy issues and increasing geopolitical instability would make improvements in prevailing market conditions unlikely. Despite these ongoing challenges, the Group will continue to execute on its strategy in order to ensure the firm's long-term success and to deliver sustainable returns for shareholders.</p> |
| B.5 | <p>Description of the Group and the issuer's position within the group</p> | <p>UBS AG is the parent company of the Group. Neither the business divisions of UBS nor the Corporate Center are separate legal entities. Currently, they primarily operate out of UBS AG, through its branches worldwide. Businesses also operate through local subsidiaries where necessary or desirable.</p> <p>UBS has commenced a share for share exchange offer to establish a group holding company. Upon completion of the initial settlement of the exchange offer, which is expected to take place on 28 November 2014, it is intended that UBS Group AG will become the parent company of UBS AG and the holding company of the Group.</p> <p>UBS has also announced that it intends to establish a banking subsidiary in Switzerland in mid-2015. The scope of this future subsidiary's business will include the Retail & Corporate business division and the Swiss-booked business within the Wealth Management business division.</p> <p>In the UK, and in consultation with the UK and Swiss regulators, in May 2014 UBS Limited, UBS's UK bank subsidiary, implemented a modified business operating model under which UBS Limited bears and retains a greater degree of risk and reward in its business activities. This principally involves: UBS Limited retaining and managing credit risk as well as some market and other risks, UBS Limited taking a more independent role in managing its funding and liquidity requirements and it involved an increase in UBS Limited's total regulatory capital.</p> <p>In the US, UBS will comply with new rules for banks under the Dodd-Frank Wall Street Reform and Consumer Protection Act that will require an intermediate holding company to own all of its operations other than US branches of UBS AG by 1 July 2016. As a result, UBS will designate an intermediate holding company to hold all US subsidiaries of UBS.</p> |
| B.12 | <p>Selected historical key financial information.</p> | <p>UBS AG derived the following selected consolidated financial data from (i) its annual report 2013 containing the audited consolidated financial statements of the Group, as well as additional unaudited consolidated financial data, as of or for the fiscal year ended 31 December 2013 (including comparative figures for the fiscal years ended 31 December 2012 and 2011), (ii) its report for the third quarter 2014, containing unaudited consolidated financial statements, as well as additional unaudited consolidated financial data, as of or for the nine months ended 30 September 2014 (from which comparative figures as of or for the nine months ended 30 September 2013 have been derived). UBS's consolidated</p> |

| | | |
|--|--|--|
| | | financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and stated in Swiss francs (CHF). |
|--|--|--|

| CHF million, except where indicated | As of or for the nine months ended | | As of or for the year ended | | |
|---|------------------------------------|-----------|--|------------|-----------|
| | 30.9.14 | 30.9.13 | 31.12.13 | 31.12.12 | 31.12.11 |
| | <i>unaudited</i> | | <i>audited, except where indicated</i> | | |
| Group results | | | | | |
| Operating income | 21,281 | 21,425 | 27,732 | 25,423 | 27,788 |
| Operating expenses | 19,224 | 18,602 | 24,461 | 27,216 | 22,482 |
| Operating profit / (loss) before tax | 2,057 | 2,823 | 3,272 | (1,794) | 5,307 |
| Net profit / (loss) attributable to UBS shareholders | 2,609 | 2,255 | 3,172 | (2,480) | 4,138 |
| Diluted earnings per share (CHF) | 0.68 | 0.59 | 0.83 | (0.66) | 1.08 |
| Key performance indicators | | | | | |
| Profitability | | | | | |
| Return on equity (RoE) (%) ¹ | 7.1 | 6.4 | 6.7* | (5.1)* | 9.1* |
| Return on assets, gross (%) ² | 2.8 | 2.5 | 2.5* | 1.9* | 2.1* |
| Cost / income ratio (%) ³ | 90.3 | 86.7 | 88.0* | 106.6* | 80.7* |
| Growth | | | | | |
| Net profit growth (%) ⁴ | 15.7 | - | - | - | (44.5)* |
| Net new money growth for combined wealth management businesses (%) ⁵ | 2.7 | 3.6 | 3.4* | 3.2* | 2.4* |
| Resources | | | | | |
| Common equity tier 1 capital ratio (fully applied, %) ^{6,7} | 13.7 | 11.9 | 12.8* | 9.8* | - |
| Swiss SRB leverage ratio (phase-in, %) ⁸ | 5.4 | 4.2 | 4.7* | 3.6* | - |
| Additional information | | | | | |
| Profitability | | | | | |
| Return on tangible equity (%) ⁹ | 8.3 | 7.6 | 8.0* | 1.6* | 11.9* |
| Return on risk-weighted assets, gross (%) ¹⁰ | 12.4 | 11.5 | 11.4* | 12.0* | 13.7* |
| Resources | | | | | |
| Total assets | 1,049,258 | 1,049,101 | 1,018,374* ¹¹ | 1,259,797 | 1,416,962 |
| Equity attributable to UBS shareholders | 50,824 | 47,403 | 48,002 | 45,949 | 48,530 |
| Common equity tier 1 capital (fully applied) ⁷ | 30,047 | 26,019 | 28,908 | 25,182* | - |
| Common equity tier 1 capital (phase-in) ⁷ | 42,464 | 38,963 | 42,179 | 40,032* | - |
| Risk-weighted assets (fully applied) ⁷ | 219,296 | 218,926 | 225,153* | 258,113* | - |
| Risk-weighted assets (phase-in) ⁷ | 222,648 | 222,306 | 228,557* | 261,800* | - |
| Common equity tier 1 capital ratio (phase-in, %) ^{6,7} | 19.1 | 17.5 | 18.5* | 15.3* | - |
| Total capital ratio (fully applied, %) ⁷ | 18.7 | 14.3 | 15.4* | 11.4* | - |
| Total capital ratio (phase-in, %) ⁷ | 24.9 | 21.8 | 22.2* | 18.9* | - |
| Swiss SRB leverage ratio (fully applied, %) ⁸ | 4.2 | 3.0 | 3.4* | 2.4* | - |
| Swiss SRB leverage ratio denominator (fully applied) ¹² | 985,071 | 1,055,956 | 1,020,247* | 1,206,214* | - |
| Swiss SRB leverage ratio denominator (phase-in) ¹² | 991,730 | 1,063,294 | 1,027,864* | 1,216,561* | - |
| Other | | | | | |
| Invested assets (CHF billion) ¹³ | 2,640 | 2,339 | 2,390 | 2,230 | 2,088 |
| Personnel (full-time equivalents) | 60,292 | 60,635 | 60,205* | 62,628* | 64,820* |
| Market capitalization | 64,047 | 71,066 | 65,007* | 54,729* | 42,843* |
| Total book value per share (CHF) | 13.54 | 12.58 | 12.74* | 12.26* | 12.95* |
| Tangible book value per share (CHF) | 11.78 | 10.89 | 11.07* | 10.54* | 10.36* |

| | | |
|--|------------------------------------|---|
| | | <p>* unaudited</p> <p>¹ Net profit / loss attributable to UBS shareholders (annualized as applicable) / average equity attributable to UBS shareholders. ² Operating income before credit loss (expense) or recovery (annualized as applicable) / average total assets. ³ Operating expenses / operating income before credit loss (expense) or recovery. ⁴ Change in net profit attributable to UBS shareholders from continuing operations between current and comparison periods / net profit attributable to UBS shareholders from continuing operations of comparison period. Not meaningful and not included if either the reporting period or the comparison period is a loss period. ⁵ Combined Wealth Management's and Wealth Management Americas' net new money for the period (annualized as applicable) / invested assets at the beginning of the period. Figures for the periods ended 31 December 2013, 2012 and 2011 are derived from the accounting records of the Group. ⁶ Common equity tier 1 capital / risk-weighted assets. ⁷ Based on the Basel III framework as applicable to Swiss systemically relevant banks (SRB), which became effective in Switzerland on 1 January 2013. The information provided on a fully applied basis entirely reflects the effects of the new capital deductions and the phase out of ineligible capital instruments. The information provided on a phase-in basis gradually reflects those effects during the transition period. Numbers for 31 December 2012 are on a pro-forma basis. Numbers for 31 December 2012 are calculated on an estimated basis described below and are referred to as "pro-forma" in this prospectus. The term "pro-forma" as used in this prospectus does not refer to the term "pro forma financial information" within the meaning of Regulation (EC) 809/2004. Some of the models applied when calculating 31 December 2012 pro-forma information required regulatory approval and included estimates (as discussed with UBS's primary regulator) of the effect of new capital charges. These figures are not required to be presented, because Basel III requirements were not in effect on 31 December 2012. They are nevertheless included for comparison reasons, because the Basel III requirements were effective as of 1 January 2013. Information for 31 December 2011 is not available. ⁸ Swiss SRB Basel III common equity tier 1 capital and loss-absorbing capital / total adjusted exposure (leverage ratio denominator). The Swiss SRB leverage ratio came into force on 1 January 2013. Numbers for 31 December 2012 are on a pro-forma basis (see footnote 7 above). Information for 31 December 2011 is not available. ⁹ Net profit / loss attributable to UBS shareholders before amortization and impairment of goodwill and intangible assets (annualized as applicable) / average equity attributable to UBS shareholders less average goodwill and intangible assets. ¹⁰ Operating income before credit loss (expense) or recovery (annualized as applicable) / average risk-weighted assets. Based on Basel III risk-weighted assets (phase-in) for 2014 and 2013, on Basel 2.5 risk-weighted assets for 2012 and on Basel II risk-weighted assets for 2011. ¹¹ On 1 January 2014, UBS adopted <i>Offsetting Financial Assets and Financial Liabilities</i> (Amendments to IAS 32, <i>Financial Instruments: Presentation</i>). The prior period balance sheet as of 31 December 2013 was restated to reflect the effects of adopting these amendments to IAS 32. ¹² The leverage ratio denominator is also referred to as "total adjusted exposure" and is calculated in accordance with Swiss SRB leverage ratio requirements. Data represent the average of the total adjusted exposure at the end of the three months preceding the end of the reporting period. The figure for the period ended 31 December 2012 is derived from the accounting records of the Group. Numbers for 31 December 2012 are on a pro-forma basis (see footnote 7 above). Information for 31 December 2011 is not available. ¹³ Invested assets includes invested assets for Retail & Corporate.</p> |
| | Material adverse change statement. | There has been no material adverse change in the prospects of UBS AG or UBS Group since 31 December 2013. |
| | Significant changes statement. | There has been no significant change in the financial or trading position of UBS Group or of UBS AG since 30 September 2014. |

and the second paragraph of Element B.16 is replaced as follows:

| | | |
|-------------|--|--|
| B.16 | Direct or indirect shareholdings or control agreements of the issuer | As of 30 September 2014, the following shareholders (acting in their own name or in their capacity as nominees for other investors or beneficial owners) were registered in the share register with 3% or more of the total share capital of UBS AG: Chase Nominees Ltd., London (11.65%); Government of Singapore Investment Corp., Singapore (6.39%); the US securities clearing organization DTC (Cede & Co.) New York, "The Depository Trust Company" (6.76%); and Nortrust Nominees Ltd., London (3.54%). |
|-------------|--|--|

3) Summary German Language

(i) in relation to the Base Prospectus dated 23 July 2013 Money Market Switch Notes in the section "Deutsche Übersetzung der Zusammenfassung des Basisprospekts" the section headed "Abschnitt B – Emittentin "

(ii) in relation to the Base Prospectus dated 18 October 2013 for the Issuance of Fixed Income Securities (Cash) in the section "German language translation of the Summary" in the section headed "Abschnitt B – Emittentin "

(iii) in relation to the Base Prospectus dated 14 January 2014 for the Issuance of Fixed Income Securities (Rates) in the section "Summary of the Base Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(iv) in relation to the Prospectus dated 24 February 2014 for the Issuance of up to 500,000 UBS Open-End Certificates based on the UBS Global Emerging Markets (GEM) RADA Strategy Index (ISIN DE000UBSOEM8) in the section "Summary of the Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(v) in relation to the Base Prospectus dated 10 March 2014 for the Issuance of UBS Performance Securities in the section "Summary of the Base Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(vi) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (CHF) (ISIN DE000Us6GGP2) in the section "Summary of the Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(vii) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (EUR) (ISIN DE000US5FOW8) in the section "Summary of the Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(viii) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (USD) (ISIN DE000US5185) in the section "Summary of the Prospectus (in the German language)" in the section headed "Abschnitt B – Emittentin "

(ix) in relation to the Base Prospectus dated "28. Mai 2014 für die Emission von Wertpapieren" in the section "Summary of the Base Prospectus (in the German Language)" in the section headed

"Abschnitt B – Emittentin"

(x) in relation to the Base Prospectus dated 3 June 2014 for the Issuance of Warrants
in the section
"Summary of the Base Prospectus (in the German Language)" in the section headed
"Abschnitt B – Emittentin"

(xi) in relation to the Base Prospectus dated 30 June 2014 for the Issuance of Securities
in the section
"Summary of the Prospectus (in the German Language)" in the section headed
"Abschnitt B – Emittentin"

(xii) in relation to the Prospectus dated 7 July 2014 for the Issuance of up to 100,000 Strategy Certificates (ISIN DE000UBS1CF4)
in the section
"Summary of the Base Prospectus (in the German Language)" in the section headed
"Abschnitt B – Emittentin"

(xiii) in relation to the Base Prospectus dated 17 July 2014 for the Issuance of Fixed Income Securities (Cash)
in the section
"Summary of the Base Prospectus (in the German Language)" in the section headed
"Abschnitt B – Emittentin"

(xiv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (CHF) (ISIN CH0224696473)
in the section
"Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(xv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (EUR) (ISIN CH0224696499)
in the section
"Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(xvi) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0224696481)
in the section
"Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

(xvii) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0252510745)
in the section
"Summary of the Prospectus (in the English Language)" in the section headed
"Section B – Issuer"

the Elements B.4b; B.5 and B.12 are completely replaced as follows:

| Element | Abschnitt B – Emittentin | |
|-------------|--|--|
| B.4b | Trends. | <p>Trendinformation</p> <p>Wie im am 28. Oktober 2014 publizierten dritten Quartalsbericht 2014 von UBS (einschließlich ungeprüften konsolidierten Finanzangaben) dargestellt, bleiben zu Beginn des vierten Quartals 2014 viele der bereits früher erwähnten Herausforderungen grundsätzlicher und geopolitischer Natur unverändert bestehen und haben sich in einigen Fällen verschärft. Es sind einige neue Bedenken entstanden, darunter die befürchteten Risiken im Zusammenhang mit dem Ebola-Virus. Die durchwachsenen Perspektiven für das globale Wachstum, das Fehlen nachhaltiger und glaubwürdiger Fortschritte bei den ungelösten Problemen in Europa, offene Fragen im Zusammenhang mit der amerikanischen Fiskal- und Geldpolitik sowie erhöhte geopolitische Instabilität würden Ergebnisverbesserungen unter den herrschenden Marktbedingungen unwahrscheinlich machen. Ungeachtet dieser anhaltenden Herausforderungen wird die UBS mit der Umsetzung ihrer Strategie fortfahren, um so den langfristigen Erfolg des Unternehmens sicherzustellen und für die Aktionäre nachhaltige Renditen zu erwirtschaften.</p> |
| B.5 | Beschreibung des Konzerns und der Stellung des Emittenten innerhalb dieses Konzerns" | <p>Die UBS AG ist die Muttergesellschaft von UBS. Weder die Unternehmensbereiche von UBS noch das Corporate Center sind rechtlich selbstständige Einheiten; derzeit führen sie in erster Linie vielmehr ihre Geschäftsaktivitäten durch die weltweiten Niederlassungen des Stammhauses aus. Die Geschäfte werden wo nötig oder wünschenswert auch durch lokale Tochtergesellschaften geführt.</p> <p>Die UBS hat mit einem Aktientauschangebot begonnen, um eine Konzernholdinggesellschaft, die UBS Group AG, zu etablieren. Mit der Komplettierung der Abwicklung des initialen Umtauschangebots, die für den 28. November 2014 erwartet wird, ist es beabsichtigt, dass die UBS Group AG die Muttergesellschaft der UBS AG und die Holdinggesellschaft der Gruppe wird. UBS hat ebenfalls angekündigt, dass sie beabsichtigt bis Mitte 2015 eine neue Tochterbank in der Schweiz zu gründen. Der Umfang des Geschäfts dieser künftigen Tochtergesellschaft wird den Geschäftsbereich Retail & Corporate sowie das in der Schweiz gebuchte Geschäft innerhalb des Wealth Management-Geschäftsbereichs umfassen.</p> <p>In Großbritannien und in Absprache mit den britischen und Schweizer Regulierungsbehörden hat die UBS Limited, UBS' britische Tochterbank, ein überarbeitetes Geschäftsmodell implementiert, nach welchem UBS Limited bei ihrer Geschäftstätigkeit ein höheres Risiko trägt und eine höhere Vergütung erhält. Dies führt für UBS Limited grundsätzlich dazu, dass es das Kreditrisiko, gewisse Marktrisiken und andere Risiken beibehält und verwaltet, die UBS Limited eine unabhängigere Rolle bei der Verwaltung ihrer Finanzausstattung und Liquiditätsanforderungen einnimmt und UBS Limited ihr aufsichtsrechtliches Eigenkapital erhöht.</p> <p>In den USA wird UBS den neuen Regeln für ausländische</p> |

| | | |
|-------------|---|---|
| | | Banken gemäss dem Dodd-Frank Wall Street Reform and Consumer Protection Act entsprechen. Zu diesem Zweck wird eine Zwischenholdinggesellschaft erforderlich sein, unter der alle Geschäfte der UBS AG mit Ausnahme ihrer US-Zweigniederlassungen bis zum 1. Juli 2016 zusammengefasst werden. Sämtliche US-Tochtergesellschaften von UBS werden folglich unter einer eigenen Zwischenholdinggesellschaft zusammengefasst. |
| B.12 | Ausgewählte wesentliche historische Finanzinformationen | UBS AG hat die nachstehenden ausgewählten konsolidierten Finanzdaten (i) aus dem Geschäftsbericht für das Geschäftsjahr 2013, der die geprüften konsolidierten Finanzangaben des UBS Konzerns sowie zusätzliche ungeprüfte konsolidierte Finanzdaten für das am 31. Dezember 2013 endende Geschäftsjahr enthält (einschließlich Vergleichszahlen für die Geschäftsjahre endend am 31. Dezember 2012 und 2011) und (ii) aus dem dritten Quartalsbericht 2014, der die ungeprüften konsolidierten Finanzangaben des UBS Konzerns sowie zusätzliche ungeprüfte konsolidierte Finanzdaten für die neun Monate endend am oder per 30. September 2014 enthält (einschließlich Vergleichszahlen für die neun Monate endend am oder per 30. September 2013), entnommen bzw. abgeleitet. Die konsolidierten Finanzangaben wurden in Einklang mit den vom International Accounting Standards Board („IASB“) herausgegebenen International Financial Reporting Standards („IFRS“) erstellt und sind in Schweizer Franken (CHF) aufgeführt. |

| | Für den neunmonatszeitraum endend am oder per | | Für das Geschäftsjahr endend am oder per | | |
|---|---|-----------|---|------------|-----------|
| | 30.9.14 | 30.9.13 | 31.12.13 | 31.12.12 | 31.12.11 |
| <i>Mio. CHF (Ausnahmen sind angegeben)</i> | | | | | |
| | <i>ungeprüft</i> | | <i>geprüft (Ausnahmen sind angegeben)</i> | | |
| UBS-Konzern | | | | | |
| Geschäftsertrag | 21.281 | 21.425 | 27.732 | 25.423 | 27.788 |
| Geschäftsaufwand | 19.224 | 18.602 | 24.461 | 27.216 | 22.482 |
| Ergebnis vor Steuern | 2.057 | 2.823 | 3.272 | (1.794) | 5.307 |
| Den UBS-Aktionären zurechenbares Konzernergebnis | 2.609 | 2.255 | 3.172 | (2.480) | 4.138 |
| Verwässertes Ergebnis pro Aktie (CHF) | 0,68 | 0,59 | 0,83 | (0,66) | 1,08 |
| Kennzahlen zur Leistungsmessung | | | | | |
| Profitabilität | | | | | |
| Eigenkapitalrendite (RoE) (%) ¹ | 7,1 | 6,4 | 6,7* | (5,1)* | 9,1* |
| Rendite auf Aktiven, brutto (%) ² | 2,8 | 2,5 | 2,5* | 1,9* | 2,1* |
| Verhältnis von Geschäftsaufwand / Geschäftsertrag (%) ³ | 90,3 | 86,7 | 88,0* | 106,6* | 80,7* |
| Wachstum | | | | | |
| Wachstum des Ergebnisses (%) ⁴ | 15,7 | - | - | - | (44,5)* |
| Wachstum der Nettoneugelder für die kombinierten Wealth-Management-Einheiten (%) ⁵ | 2,7 | 3,6 | 3,4* | 3,2* | 2,4* |
| Ressourcen | | | | | |
| Harte Kernkapitalquote (CET1) (vollständig umgesetzt, %) ^{6,7} | 13,7 | 11,9 | 12,8* | 9,8* | - |
| Leverage Ratio für Schweizer SRB (stufenweise umgesetzt, %) ⁸ | 5,4 | 4,2 | 4,7* | 3,6* | - |
| Zusätzliche Informationen | | | | | |
| Profitabilität | | | | | |
| Rendite auf Eigenkapital abzüglich Goodwill und anderer immaterieller Vermögenswerte (%) ⁹ | 8,3 | 7,6 | 8,0* | 1,6* | 11,9* |
| Rendite auf risikogewichteten Aktiven, brutto (%) ¹⁰ | 12,4 | 11,5 | 11,4* | 12,0* | 13,7* |
| Ressourcen | | | | | |
| Total Aktiven | 1.049.258 | 1.049.101 | 1.018.374* ¹¹ | 1,259,797 | 1,416,962 |
| Den UBS-Aktionären zurechenbares Eigenkapital | 50.824 | 47.403 | 48.002 | 45,949 | 48,530 |
| Hartes Kernkapital (CET1) (vollständig umgesetzt) ⁷ | 30.047 | 26.019 | 28.908 | 25.182* | - |
| Hartes Kernkapital (CET1) (stufenweise umgesetzt) ⁷ | 42.464 | 38.963 | 42.179 | 40.032* | - |
| Risikogewichtete Aktiven (vollständig umgesetzt) ⁷ | 219.296 | 218.926 | 225.153* | 258.113* | - |
| Risikogewichtete Aktiven (stufenweise umgesetzt) ⁷ | 222.648 | 222.306 | 228.557* | 261.800* | - |
| Harte Kernkapitalquote (CET1) (stufenweise umgesetzt, %) ^{6,7} | 19,1 | 17,5 | 18,5* | 15,3* | - |
| Gesamtkapitalquote (vollständig umgesetzt, %) ⁷ | 18,7 | 14,3 | 15,4* | 11,4* | - |
| Gesamtkapitalquote (stufenweise umgesetzt, %) ⁷ | 24,9 | 21,8 | 22,2* | 18,9* | - |
| Leverage Ratio für Schweizer SRB (vollständig umgesetzt, %) ⁸ | 4,2 | 3,0 | 3,4* | 2,4* | - |
| Leverage Ratio Denominator für Schweizer SRB (vollständig umgesetzt) ¹² | 985.071 | 1.055.956 | 1.020.247* | 1.206.214* | - |
| Leverage Ratio Denominator für Schweizer SRB (stufenweise umgesetzt) ¹² | 991.730 | 1.063.294 | 1.027.864* | 1.216.561* | - |
| Übrige | | | | | |
| Verwaltete Vermögen (Mrd. CHF) ¹³ | 2.640 | 2.339 | 2.390 | 2.230 | 2.088 |
| Personalbestand (auf Vollzeitbasis) | 60.292 | 60.635 | 60.205* | 62.628* | 64.820* |
| Börsenkaptalisierung | 64.047 | 71.066 | 65.007* | 54.729* | 42.843* |
| Buchwert des den UBS-Aktionären zurechenbaren Eigenkapitals pro Aktie (CHF) | 13,54 | 12,58 | 12,74* | 12,26* | 12,95* |

| | | | | | |
|---|-------|-------|--------|--------|--------|
| Buchwert des den UBS-Aktionären zurechenbaren Eigenkapitals abzüglich Goodwill und immaterieller Vermögenswerte pro Aktie (CHF) | 11,78 | 10,89 | 11,07* | 10,54* | 10,36* |
|---|-------|-------|--------|--------|--------|

| | | |
|--|---|---|
| | | <p>* ungeprüft</p> <p>¹ Das den UBS-Aktionären zurechenbare Konzernergebnis (gegebenenfalls annualisiert) / Das den UBS-Aktionären zurechenbare durchschnittliche Eigenkapital. ² Geschäftsertrag vor Wertberichtigungen für Kreditrisiken (gegebenenfalls annualisiert) / Total durchschnittliche Aktiven. ³ Geschäftsaufwand / Geschäftsertrag vor Wertberichtigungen für Kreditrisiken. ⁴ Veränderung des aktuellen den UBS-Aktionären zurechenbaren Konzernergebnisses aus fortzuführenden Geschäftsbereichen gegenüber einer Vergleichsperiode / Das den UBS-Aktionären zurechenbare Konzernergebnis aus fortzuführenden Geschäftsbereichen in einer Vergleichsperiode. Besitzt keine Aussagekraft und wird nicht ausgewiesen, falls für die laufende Periode oder die Vergleichsperiode ein Verlust verzeichnet wird. ⁵ Nettoneugelder für die kombinierten Wealth-Management-Einheiten seit Periodenbeginn (gegebenenfalls annualisiert) / Verwaltete Vermögen zu Beginn der Periode. Die Informationen per Jahresende 2013, 2012 und 2011 stammen aus der Buchführung des Konzerns. ⁶ Hartes Kernkapital (CET1) / Risikogewichtete Aktiven. ⁷ Basiert auf den Basel-III-Richtlinien, soweit auf systemrelevante Banken (SRB) anwendbar, die am ersten Januar 2013 in der Schweiz in Kraft traten. Die auf einer vollständigen Umsetzung basierenden Informationen berücksichtigen die Auswirkungen der neuen Kapitalabzüge wie auch den Wegfall der nicht anrechenbaren Kapitalinstrumente in vollem Umfang. Die auf einer stufenweisen Umsetzung basierenden Informationen reflektieren diese Auswirkungen schrittweise während der Übergangsperiode. Die Zahlen per 31. Dezember 2012 sind Pro-forma-basiert. Zahlen per 31. Dezember 2012 sind auf Grundlage der unten beschriebenen Schätzungen berechnet und werden in diesem Prospekt als „pro-forma“ bezeichnet. Der in diesem Prospekt verwendete Begriff „pro-forma“ bezieht sich nicht auf den in der Verordnung (EG) 809/2004 verwendeten Begriff „Pro forma-Finanzinformationen“. Einige bei der Berechnung der Pro-forma-Informationen angewandten Modelle erforderten eine regulatorische Bewilligung und enthielten Schätzungen (gemäss Diskussion mit primärer Aufsichtsstelle von UBS) der Auswirkung der neuen Eigenkapitalanforderungen. Diese Zahlen müssen nicht dargestellt werden, da die Basel III-Anforderungen am 31. Dezember 2012 noch nicht in Kraft waren. Sie werden jedoch aus Vergleichszwecken aufgeführt, da die Basel III-Anforderungen am 1. Januar 2013 wirksam waren. Zahlen per 31. Dezember 2011 sind nicht verfügbar. ⁸ Hartes Kernkapital (CET1) gemäß Basel III für Schweizer SRB und verlustabsorbierendes Kapital / Adjustiertes Gesamtengagement (Leverage Ratio Denominator). Die Schweizer Leverage Ratio für SRB trat am ersten Januar 2013 in Kraft. Die Zahlen per 31. Dezember 2012 sind Pro-forma-basiert (siehe Fussnote 7 oben). Zahlen per 31. Dezember 2011 sind nicht verfügbar. ⁹ Das den UBS-Aktionären zurechenbare Konzernergebnis vor Abschreibungen und Wertminderung auf Goodwill und andere immaterielle Vermögenswerte (gegebenenfalls annualisiert) / das den UBS-Aktionären zurechenbare durchschnittliche Eigenkapital abzüglich Goodwill und anderer immaterieller Vermögenswerte. ¹⁰ Total Geschäftsertrag vor Wertberichtigungen für Kreditrisiken (gegebenenfalls annualisiert) / Durchschnittliche risikogewichtete Aktiven. Für 2014 und 2013 basieren die risikogewichteten Aktiven (stufenweise umgesetzt) auf den Basel-III-Richtlinien. Für 2012 basieren die risikogewichteten Aktiven auf den Basel-2.5-Richtlinien. Für 2011 basieren die risikogewichteten Aktiven auf den Basel-II-Richtlinien. ¹¹ Per 1. Januar 2014 führte UBS <i>Saldierung finanzieller Vermögenswerte und finanzieller Verbindlichkeiten</i> (Änderungen von IAS 32, <i>Finanzinstrumente: Darstellung</i>) ein. Die Vergleichsbilanz per 31. Dezember 2013 wurde angepasst, um den Auswirkungen der Übernahme der Änderungen von IAS 32 Rechnung zu tragen. ¹² Der Leverage Ratio Denominator, auch bezeichnet als «adjustiertes Gesamtengagement», wird in Übereinstimmung mit den Anforderungen für die Leverage Ratio für Schweizer SRB berechnet. Die Zahlen widerspiegeln den Durchschnitt des adjustierten Gesamtengagements am Ende der drei Monate, die dem Ende der Berichtsperiode vorangehen. Die Informationen für Schweizer SRB zum "Leverage Ratio Denominator" auf einer vollständig Basis per Jahresende 2012 stammen aus der Buchführung des Konzerns. Die Zahlen per 31. Dezember 2012 sind Pro-forma-basiert (siehe Fussnote 7 oben). Zahlen per 31. Dezember 2011 sind nicht verfügbar. ¹³ Verwaltete Vermögen des Konzerns beinhalten Vermögen unter der Verwaltung von Retail & Corporate.</p> |
| | Erklärung hinsichtlich wesentlicher Verschlechterung. | Seit dem 31. Dezember 2013 sind keine wesentlichen Veränderungen in den Aussichten der UBS AG oder der UBS Gruppe eingetreten. |
| | Beschreibung wesentlicher | Seit dem 30. September 2014 hat sich keine wesentliche Veränderung der Finanzlage oder der Handelsposition der |

| | | |
|--|--|-------------------------------------|
| | Veränderungen der Finanzlage oder Handelsposition. | UBS AG oder der UBS Gruppe ergeben. |
|--|--|-------------------------------------|

and the second paragraph of Element B.16 is replaced as follows:

| | | |
|-------------|--|--|
| B.16 | Beteiligungen oder Beherrschungsverhältnisse | "Laut dem Aktienregister der UBS AG per 30. September 2014 verfügten die folgende Aktionäre (die entweder in eigenem Namen oder als Nominees für andere Investoren oder wirtschaftlich Berechtigte handeln) über eine Beteiligung von mindestens 3% am gesamten Aktienkapital von UBS AG: Chase Nominees Ltd., London (11,65%); Government of Singapore Investment Corp., Singapore (6,39%); die US Wertpapier-Abwicklungsorganisation DTC (Cede & Co.) New York, "The Depository Trust Company" (6,76%); und Nortrust Nominees Ltd., London (3,54%)." |
|-------------|--|--|

4) Summary English / German Language – Element B.17

(i) in relation to the Base Prospectus dated 14 January 2014 for the Issuance of Fixed Income Securities (Rates)

in the section

"Summary of the Base Prospectus (in the English / German language)" in the section headed "Section B – Issuer", or, as the case may be, "Abschnitt B – Emittentin"

(ii) in relation to the Base Prospectus dated "28. Mai 2014 für die Emission von Wertpapieren"

in the section

"Summary of the Base Prospectus (in the English / German Language)" in the section headed "Section B – Issuer", or, as the case may be, "Abschnitt B – Emittentin"

(iii) in relation to the Base Prospectus dated 3 June 2014 for the Issuance of Warrants

in the section

"Summary of the Base Prospectus (in the English / German Language)" in the section headed "Section B – Issuer", or, as the case may be, "Abschnitt B – Emittentin"

(iv) in relation to the Base Prospectus dated 30 June 2014 for the Issuance of Securities

in the section

"Summary of the Prospectus (in the English / German Language)" in the section headed "Section B – Issuer", or, as the case may be, "Abschnitt B – Emittentin"

in Element

"B.17 – Credit Ratings assigned to the issuer or its debt securities" or, as the case may be, "B.17 – Ratings für die Emittentin oder ihre Schuldtitel" the term "France S.A.S." is replaced by "Fitch Ratings Limited".

In the German language summary in Element "B.17 – Ratings für die Emittentin oder ihre Schuldtitel" the term "Ficht" is replaced by the "Fitch" and the relevant section reads as follows:

"UBS verfügt für ihre langfristigen vorangigen Schuldpapiere über ein Rating von A (negative Ausblick) von Standard & Poor's, von A2 (negativer Ausblick) von Moody's sowie A (stabiler Ausblick) von Fitch Ratings."

5) Miscellaneous

- (i) in relation to the Base Prospectus dated 23 July 2013 for the Issuance of Money Market Switch Notes
- (a) on page 47 in the section headed "Incorporation by Reference" the table shall be replaced by the following:

| Incorporated document | Referred to in | Information |
|--|--------------------------------|---------------------------|
| Registration Document dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014. | Description of UBS AG page 136 | Description of the Issuer |

- (ii) in relation to the Base Prospectus dated 18 October 2013 for the Issuance of Fixed Income Securities (Cash)

- (a) on page 214 the first sentence in the section headed "Description of UBS AG" shall be replaced as follows:

"The description of UBS AG is contained in the Registration Document (as defined below), as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014."

- (b) on page 215 in the section headed "Incorporation by Reference" the table shall be replaced by the following:

| Document | Referred to in | Information | Place of Publication |
|--|---|---|-----------------------|
| Registration Document dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014. | Risk Factors relating to the Issuer, page 55 Description of UBS AG, page 214 | III. Risk Factors (pages 4 to 18) IV. Information about UBS AG to XIV. Documents on Display (pages 18 to 47) | www.ubs.com/keyinvest |

- (iii) in relation to the Base Prospectus dated 14 January 2014 for the Issuance of Fixed Income Securities (Rates)

- (a) on page 258 the first sentence in the section headed "Description of UBS AG" shall be replaced as follows:

"The description of UBS AG is contained in the Registration Document (as defined below), as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014."

- (b) On page 259 in the section headed "Incorporation by Reference" the table shall be replaced by the following:

| Document | Referred to in | Information | Place of Publication |
|---|---|---|-----------------------|
| Registration Document dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014. (the " Registration Document ") | Risk Factors relating to the Issuer, page 58 Description of UBS AG, page 258 | II. Statutory Auditors to Appendix 3 – Annual Report 2012 (pages 4 (including) to 46 (excluding)) | www.ubs.com/keyinvest |

- (iv) in relation to the Prospectus dated 24 February 2014 for the Issuance of up to 500,000 UBS Open-End Certificates based on the UBS Global Emerging Markets (GEM) RADA Strategy Index (ISIN DE000UBSOEM8)

- (a) on the first page the first subparagraph shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**") constitutes a tri-partite prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended. The Securities Note contains information relating to the securities (the "**Securities**", and each a "**Security**") to be issued and the Summary comprises a summary of the Registration Document and the Securities Note."

- (b) On page 39 the second subparagraph in the section headed "I. Issuer specific Risks" shall be replaced by the following wording:

"In order to assess the risks related to the Issuer of the Securities, potential investors should consider the risk factors described in the section "Risk Factors" in the Registration Document of UBS AG, as supplemented from time to time."

- (c) On page 104 in the section headed "H. General Information" the wording in the subsection headed "1. Form of document" shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**"), constitutes a tri-partite prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended."

(v) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (CHF) (ISIN DE000US6G GP2)
and

(vi) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (EUR) (ISIN DE000US5FOW8)
and

(vii) in relation to the Prospectus dated 5 May 2014 for the Issuance of up to 65,000 Strategy Certificates (USD) (ISIN DE000US5185)

(a) on the first page the first subparagraph shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**"), constitutes a prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended. The Securities Note contains information relating to the securities (the "**Securities**", and each a "**Security**") to be issued and the Summary comprises a summary of the Registration Document and the Securities Note."

(b) On page 93 in the section headed "H. General Information" the wording in the subsection headed "1. Form of Document" shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**"), constitutes a prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended."

(viii) in relation to the Base Prospectus dated "28. Mai 2014 für die Emission von Wertpapieren"

(a) On page 108 in the section headed "I. Emittentenspezifische Risikohinweise" the second paragraph shall be replaced as follows:

"Um die mit der Emittentin der Wertpapiere verbundenen Risiken einschätzen zu können, sollten potentielle Anleger die in dem Abschnitt "Risikofaktoren" in dem Registrierungsformular der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt, beschriebenen Risikofaktoren berücksichtigen. Die in dem Abschnitt "Risikofaktoren" in dem Registrierungsformular der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt, beschriebenen Risikofaktoren sind an dieser Stelle per Verweis in diesen Basisprospekt einbezogen und stellen einen Bestandteil dieses Basisprospekts dar."

(b) On page 602 in the section headed "J. Beschreibung der Emittentin" the wording shall be replaced as follows:

"Eine Beschreibung der UBS AG ist in dem Registrierungsformular der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt, enthalten."

Das Registrierungsformular der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt, ist per Verweis in diesen Basisprospekt einbezogen und stellt einen Bestandteil dieses Basisprospekts dar."

- (c) On page 604 in the section headed "Per Verweis einbezogene Dokumente" bullet point (a) shall be replaced as follows:

"(a) das Registrierungsformular der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt."

- (d) On page 604 in the section headed "Bereithaltung des Basisprospekts und anderer Dokumente" bullet point (b) shall be replaced as follows:

"(b) eine Kopie des Registrierungsformulars der UBS AG vom 19. Mai 2014, wie durch Nachtrag Nr. 1 vom 8. August 2014, Nachtrag Nr. 2 vom 25. August 2014 und Nachtrag Nr. 3 vom 24. November 2014 ergänzt,"

(ix) in relation to the Base Prospectus dated 3 June 2014 for the Issuance of Warrants

- (a) On page 78 in the section headed "I. Issuer specific Risks" the second paragraph shall be replaced as follows:

"In order to assess the risks related to the Issuer of the Securities, potential investors should consider the risk factors described in the section "Risk Factors" in the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014, which is incorporated by reference into this Base Prospectus."

- (b) On page 475 in the section headed "K. Description of the Issuer" the first subparagraph shall be replaced as follows:

"A description of UBS AG is set out in the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014. The Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014, is incorporated by reference into, and form part of this Base Prospectus."

and the last sentence in the second subparagraph shall be replaced as follows:

"These supplementary attributes indicate the relative position within the respective rating class. UBS AG has long-term senior debt ratings of A (negative outlook) from Standard & Poor's, A2 (negative outlook) from Moody's and A (stable outlook) from Fitch Ratings."

- (c) On page 477 in the section headed "6. Information incorporated by Reference" the first bullet point shall be replaced as follows:

"(1) the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014;"

- (d) On page 477 in the section headed "7. Availability of the Base Prospectus and other documents" the second bullet point shall be replaced as follows:

"(b) a copy of the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014;"

- (x)** in relation to the Base Prospectus dated 30 June 2014 for the Issuance of Securities

- (a) On page 217 in the section headed "I. Issuer specific Risks" the second paragraph shall be replaced as follows:

"In order to assess the risks related to the Issuer of the Securities, potential investors should consider the risk factors described in the section "Risk Factors" in the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014, which is incorporated by reference into this Base Prospectus."

- (b) On page 877 in the section headed "K. Description of the Issuer" the first paragraph shall be replaced as follows:

"A description of UBS AG is set out in the Registration Document of UBS AG dated 19 May 2014, as supplemented from time to time. The Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014, is incorporated by reference into, and form part of this Base Prospectus."

and the last sentence in the second subparagraph shall be replaced as follows:

"These supplementary attributes indicate the relative position within the respective rating class. UBS AG has long-term senior debt ratings of A (negative outlook) from Standard & Poor's, A2 (negative outlook) from Moody's and A (stable outlook) from Fitch Ratings."

- (c) On page 879 in the section headed "6. Information incorporated by Reference" the first bullet point shall be replaced as follows:

"(1) the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014;"

- (d) On page 879 in the section headed "7. Availability of the Base Prospectus and other documents" the second bullet point shall be replaced as follows:

"(b) a copy of the Registration Document of UBS AG dated 19 May 2014, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014;"

- (xi)** in relation to the Base Prospectus dated 17 July 2014 for the Issuance of Fixed Income Securities (Cash)

- (a) on page 68 in the section headed "Risk Factors" the second paragraph is replaced as follows:

"In order to assess the risks related to the Issuer of the Securities, potential investors should consider the risk factors described in the section "III. Risk Factors" in the Registration Document of UBS AG, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014, as incorporated by reference into this Base Prospectus."

- (b) on page 288 in the section headed "Incorporation by Reference" (page 288) the wording in the column headed "Document" shall be replaced by the following:

"- Registration Document dated 19 May 2014 of UBS AG, as supplemented by Supplement No. 1 dated 8 August 2014, Supplement No. 2 dated 25 August 2014 and Supplement No. 3 dated 24 November 2014 (the "**Registration Document**")"

(xii) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (CHF) (ISIN CH0224696473) and

(xiii) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (EUR) (ISIN CH0224696499) and

(xiv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0224696481) and

(xv) in relation to the Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0252510745)

- (a) on the first page the first sentence of the first subparagraph shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**"), constitutes a prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended."

- (b) On page 101 or 102, as the case may be, in the section headed "H. General Information" the wording in the subsection headed "1. Form of Document" shall be replaced by the following wording:

"This document comprises a securities note (the "**Securities Note**") and a summary (the "**Summary**") and, together with the registration document of UBS AG dated 19 May 2014, as supplemented from time to time, (the "**Registration Document**"), constitutes a prospectus (the "**Prospectus**") according to Art. 5 (3) of the Prospectus Directive (Directive 2003/71/EC, as amended), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission, as amended."

- (c) On page 102 or 103, as the case may be, in the section headed "6. Availability of the Prospectus and other documents" the second bullet point shall be replaced by the following wording:

"(b) a copy of the Registration Document of UBS AG dated 19 May 2014, as supplemented from time to time;"

ADDRESS LIST

ISSUER

Registered head Office

UBS AG
Bahnhofstrasse 45
8001 Zurich
Switzerland

UBS AG
Aeschenvorstadt 1
4051 Basle
Switzerland

Executive Office of UBS AG, Jersey Branch

UBS AG, Jersey Branch
24 Union Street
St. Helier JE2 3RF
Jersey
Channel Islands

Executive Office of UBS AG, London Branch

UBS AG, London Branch
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

The Registration Document dated 19 May 2014,
the Base Prospectus for the issuance of Money Market Switch Notes of UBS AG dated 23 July 2013,
for the Issuance of Fixed Income Securities (Cash) dated 18 October 2013,
the Base Prospectus for the Issuance of Fixed Income Securities (Rates) dated 14 January 2014,
the tripartite Prospectus dated 24 February 2014 for the Issuance of up to 500,000 UBS Open-End Certificates based on the UBS Global Emerging Markets (GEM) RADA Strategy Index (ISIN DE000UBS0EM8),
the Base Prospectus dated 10 March 2014 for the Issuance of UBS Performance Securities,
the tripartite Prospectus dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (CHF) (ISIN DE000US6GGP2),
the tripartite Prospectus dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (EUR) (ISIN DE000US5FOW8),
the tripartite Prospectus dated 5 May 2014 for the issuance of up to 65,000 Strategy Certificates (USD) (ISIN DE000US50W8),
the Base Prospectus 28 May 2014 ("Basisprospekt vom 28. Mai 2014 für die Emission von Wertpapieren"),
the Base Prospectus dated 3 June 2014 for the Issuance of Warrants,
the Base Prospectus dated 30 June 2014 for the Issuance of Securities
the tripartite Prospectus dated 7 July 2014 for the Issuance of up to 100,000 Strategy Certificates (ISIN DE000UBS1CF4), and
the Base Prospectus dated 17 July 2014 for the Issuance of Fixed Income Securities (Cash),
the tripartite Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (CHF) (ISIN CH0224696473),
the tripartite Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (EUR) (ISIN CH0224696499),
the tripartite Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0224696481), and
the tripartite Prospectus dated 11 September 2014 for the issuance of up to 1,000,000 Leverage Certificates Short (open end) (USD) (ISIN CH0252510745),

and all supplements thereto, shall be maintained in printed format, for free distribution, at the offices of the Issuer for a period of twelve months after the publication of this document and are published on the website www.ubs.com/keyinvest, or a successor website.

In addition, the annual and quarterly reports of UBS AG are published on UBS's website, at www.ubs.com/investors or a successor address.

APPENDIX

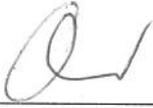
APPENDIX 4 to the Registration Document Third quarter report of UBS AG as at 30 September 2014

Note: The third quarter report on the following pages contains its original page numbering.

Zurich, 24 November 2014

UBS AG

By:



(signed by Clemens Taupitz)

By:



(signed by Sigrid Kossatz)