



Thank you for requesting this Product Disclosure Statement from Funds Focus.

How to Apply

Please have a read through the PDS and if you would like to invest the application pages can generally be found towards the back of the document. You will only need to send the application section back with a cheque/direct debit payable direct to the investment company (not ourselves). You should take note of any minimum investment amounts that may apply and proof of ID that is now required for the new Anti-Money Laundering regulations.

Then mail the completed application directly to us.

We will then check to ensure your form is completed correctly before forwarding your document on to the investment provider on your behalf.

Wealth Focus Pty Ltd
Reply Paid 760
Manly
NSW 1655

Please note that we are unable to track applications mailed directly to the product provider and therefore cannot guarantee that your discounts have been applied in these instances.

Should you wish to take advantage of our free annual valuation and tax report for all your investments you should complete our broker nomination form for The Wealth Focus Investment Service.

Regards

Suliman Ravell
Managing Director

A handwritten signature in black ink, appearing to read 'Suliman Ravell'.

Wealth Focus Pty Ltd
ABN 87 123 556 730 AFSL: 314872
56 The Corso, Manly, NSW 2095
Postal Address: PO Box 760, Manly, NSW 1655



Requirements for verifying your identity under the new Anti Money Laundering (AML)/Counter Terrorism Financing (CTF) Act

The AML/CTF Act came into effect on the 12th December 2007. All financial planning and fund management companies are now required to collect, verify and store specific customer information before arranging investment services for a client. It is designed to prevent, detect and protect Australian business from money laundering and the financing of terrorist activities.

As such, we request that all new applications are sent with 'certified documentation'.

We have found that the easiest way to provide the required documentation is to have a copy of your driving licence *or* passport certified by Australia Post or a Justice of the Peace (please see following page for a full list of individuals that can certify documentation).

Once this has been completed, under the current requirements we will not require you to send identification again.

What you need to do

You will need to enclose a certified piece of photographic evidence or one piece of primary non-photographic evidence and one piece of secondary evidence (please refer to the Identification Form for document requirements), with your application form and post to us at the following address

Wealth Focus Pty Ltd

Reply Paid 760

Manly

NSW 1655

Please do not send us original driving licences or passports as these can very easily get lost in the post. Copies of documents can be certified by an authorised individual, they will need to sight and verify that the copy is a 'certified true copy', sign, date, print their name and list their qualification.

ANTI-MONEY LAUNDERING REQUIREMENT FOR NEW APPLICATIONS
IDENTIFICATION FORM A

GUIDE TO COMPLETING THIS FORM

- Please contact us on 1300 55 98 69 if you have any queries.
- If you wish to apply in the name of a trust or company, please contact us for an alternative identification form.
SMSF's and retail superannuation applications do not need to provide ID (an online check will be performed for SMSFs)

Attach a certified copy of the ID documentation used as proof of identity. ID enclosed should verify your full name; and **EITHER** your date of birth or residential address.

- Complete Part I (or if the individual does not own a document from Part I, then complete either Part II or III.)

PART I – ACCEPTABLE PRIMARY ID DOCUMENTS

	Select ONE valid option from this section only
<input type="checkbox"/>	Australian State / Territory driver's licence containing a photograph of the person
<input type="checkbox"/>	Australian passport (a passport that has expired within the preceding 2 years is acceptable)
<input type="checkbox"/>	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person
<input type="checkbox"/>	Foreign passport or similar travel document containing a photograph and the signature of the person*

PART II – ACCEPTABLE SECONDARY ID DOCUMENTS – should only be completed if the individual does not own a document from Part I

	Select ONE valid option from this section
<input type="checkbox"/>	Australian birth certificate
<input type="checkbox"/>	Australian citizenship certificate
<input type="checkbox"/>	Pension card issued by Centrelink
<input type="checkbox"/>	Health card issued by Centrelink
	AND ONE valid option from this section
<input type="checkbox"/>	A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
<input type="checkbox"/>	A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. <i>Block out the TFN before scanning, copying or storing this document.</i>
<input type="checkbox"/>	A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
<input type="checkbox"/>	If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school

Who can verify customer identity documents?

Please find below a list of all the Approved Individuals that can certify documents:

- **A Justice of the Peace**
- **An agent of the Australian Postal Corporation** who is in charge of an office supplying postal services to the public, or a permanent employee with more than two years continuous service (who is employed in an office supplying postal services to the public)
- A notary public (for the purposes of the Statutory Declaration Regulations 1993)
- A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)
- A judge, magistrate, registrar or deputy registrar of a court
- A chief executive officer of a Commonwealth Court
- A police officer
- An Australian consular or diplomatic officer (within the meaning of the Consular Fees Act 1955)
- An officer or finance company officer with two or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993)
- An officer with, or authorised representative of, a holder of an Australian Financial Services Licence, having two or more continuous years of service with one or more licensees, and
- A member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with more than two years continuous membership.

UBSSAL PERLES+ – Series 15 and Series 16

Linked to the S&P/ASX200 Index



Issued by UBS Securities Australia Limited ABN 62 008 586 481, AFSL 231098

Product Disclosure Statement Dated 23 August 2010

Product Disclosure Statement dated 23 August 2010

Important Notice

This Product Disclosure Statement ("PDS") is for the offer of an agreement to purchase ordinary fully paid shares in BHP Billiton Limited ("Delivery Asset") on certain terms including deferred delivery. This PDS is dated 23 August 2010 and is issued by UBS Securities Australia Limited ("UBSSAL") (Australian Financial Services Licence No. 231098). This PDS has not been lodged, and is not required to be lodged with the Australian Securities and Investments Commission ("ASIC"). UBSSAL will notify ASIC that this PDS is in use in accordance with the Corporations Act. ASIC and its officers take no responsibility for the contents of this PDS.

Your Decision to Invest

This PDS is an important document which should be read before making a decision to acquire Units* in the PERLES+. A document of this kind cannot take into account your own investment objectives, financial situation or particular needs. Accordingly, nothing in this PDS is a recommendation by UBSSAL or its related entities or by any other person concerning investment in the PERLES+. You should not only consider the information in this PDS but also obtain independent financial and taxation advice as to the suitability of an investment in the PERLES+ for you (bearing in mind your investment objectives, financial situation and particular needs). No cooling off rights apply to investments in PERLES+.

Applications

This PDS is available in paper form and in electronic form from UBSSAL's website at www.ubs.com/equitysolutions. If you wish to invest in the PERLES+ you must complete an Investor Application Form attached to this PDS and provide it to your Approved Adviser. The PERLES+ will only be issued to you upon receipt and acceptance of an Investor Application Form which is attached to this PDS.

For Investor Application Forms and instructions on how to apply for Units in PERLES+ refer to the **"How to Apply"** section. Investors should contact their adviser, stockbroker or financial planner when making an application for Units in the PERLES+.

Delivery Asset

References in this PDS to the Delivery Asset are included solely for the purposes of identification of the Delivery Asset to which the PERLES+ relates. Neither BHP Billiton Limited nor ASX have authorised, been involved in the preparation of, or caused the issue of this PDS. Neither BHP Billiton Limited nor ASX take any responsibility for any part of this PDS.

Restrictions on Distribution of the PDS

Unless it is lawful to offer the Units and Delivery Assets to which this PDS relates in a jurisdiction outside Australia, the offer to which this PDS relates is made only in Australia. The offer to which this PDS relates is only available to persons receiving this PDS in Australia. This PDS does not constitute an offer of Units in the PERLES+ or the Delivery Asset in any place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this PDS in jurisdictions outside Australia may be restricted by law and any person who resides outside Australia into whose possession this PDS comes (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Failure to comply with the relevant restrictions may violate those laws. PERLES+ may not be offered or sold in the United States or to, or for the account of or benefit of, US persons. Accordingly neither this PDS, nor the Investor Application Form may be sent to persons in the US or otherwise distributed in the US of America ("US").

Disclosure of Interests

UBSSAL and its related entities, and their directors and employees may have pecuniary or other interests in the Delivery Asset. Customers who have received this PDS from a financial intermediary, adviser or broker should note that if you invest in the PERLES+, UBSSAL may pay that adviser/broker a commission or fee in the nature of an up front selling fee. The upfront selling fee is generally between 0% and 1.5% of the Total Investment Amount (inclusive of GST) for Series 15 and between 0% and 2.20% of the Total Investment Amount (inclusive of GST) for Series 16. All fees and charges described in this PDS are GST inclusive unless stated otherwise.

Update of information

This PDS is current as at 23 August 2010. Information in this document is subject to change from time to time, for example the Reference Index may be altered in some circumstances (refer to the **"Risk Factors"** section). To the extent that the change is not materially adverse to investors, it may be updated by UBSSAL posting a notice of the change on its website at www.ubs.com/equitysolutions. UBSSAL will provide to investors, free of charge, a paper copy of the updated information upon request.

Electronic Product Disclosure Statement

Investors who receive this PDS in electronic form are entitled to obtain a paper copy of this PDS (including the Investor Application Form) free of charge by contacting UBSSAL on 1800 633 100.

Definitions

Certain expressions used in this PDS are as defined in the Glossary or in the Term Sheet.

The Issuer

UBS Securities Australia Limited is an Australian Financial Services Licensee under the Corporations Act (Licence No. 231098). It is a participating organisation of ASX Limited ("ASX"), a participant of Australian Clearing House Pty Limited (the clearing and settlement facility for the derivatives markets operated by ASX) and a participant of CHESS (the clearing and settlement facility operated by ASX Settlement and Transfer Corporation Pty Ltd). UBS Securities Australia Limited is a wholly owned subsidiary of UBS AG. However, none of UBS AG or any of its related entities guarantee the performance of the obligations of UBS Securities Australia Limited under PERLES+ or this PDS. The obligations of UBS Securities Australia Limited are unsecured obligations which rank equally with all other unsecured obligations of UBS Securities Australia Limited, and in a winding up you may not receive these amounts.

* Please note "Units" when used in this PDS means an agreement to buy a Delivery Asset between the Issuer and the Investor pursuant to the Deferred Purchase Agreement. It is not a unit in a managed investment scheme.

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Key Dates¹

Initial Offer Period Open:	23 August 2010
Initial Offer Period Close:	3pm (Sydney time) 10 September 2010
Payment Date ² :	16 September 2010
Strike Date:	17 September 2010
Issue Date ³ :	17 September 2010
Final Maturity Date (Series 15):	19 March 2012
Final Maturity Date (Series 16):	17 September 2013
General Offer Period Open:	20 September 2010
General Offer Period Close (Series 15):	19 March 2012
General Offer Period Close (Series 16):	17 September 2013

¹ The Key Dates are indicative only. UBS may, in its discretion, extend or shorten the offer period without prior notice. If this happens, the Issue Date and/or Payment Date, Strike Date and Maturity Date may vary accordingly. If UBS extends or shortens the offer period it may post a notice on the website informing Applicants of the changes at: www.ubs.com/equitysolutions

² This is the Payment Date for applications lodged during the Initial Offer Period. If you are applying during the Initial Offer Period you must contact UBS to arrange for payment of your Total Investment Amount. The payment date for applications lodged after the Initial Offer Period is as advised by UBS.

³ This is the Issue Date for applications accepted during the Initial Offer Period. Units in a Series will only be issued if the Conditional Return as determined on the Strike Date is greater than or equal to the Minimum Conditional Return applicable (refer Term Sheet) and (for Series 15 only) the Performance Cap as determined on the Strike Date is greater than or equal to the Minimum Performance Cap. If the Conditional Return is not greater than or equal to the Minimum Conditional Return or (for Series 15 only) the Performance Cap is not greater than or equal to the Minimum Performance Cap, the Units will not be issued and UBS will return the application monies to applicants without interest within 5 Business Days. The Issue Date for applications accepted in the General Offer Period will be confirmed in the Investor's Confirmation Notice.

Section 1 - Product Overview

PERLES+ - Series 15 and Series 16 - S&P/ASX200 Index (“PERLES+”) is a short to medium term investment that delivers an exposure to the S&P/ASX200 Index and the potential for a minimum return at Maturity (provided no Barrier Event occurs).

Each investment is a Deferred Purchase Agreement entered into by UBSSAL and the Investor (“UBSSAL PERLES+” or “Units”). The value of the Units is linked to the performance of the S&P/ASX200 Index (the “Reference Index”). The following is a summary of the terms of the PERLES+ Units as well as a discussion of factors you should consider before purchasing the PERLES+ Units. The information in this section is qualified in its entirety by the more detailed explanations set forth elsewhere in this PDS and the terms of the Deferred Purchase Agreement set out in Section 13.

Key Features

- Diversified exposure to the S&P/ASX 200 Index;
- An investment with a “safety cushion” - Conditional Protection*;
- A Minimum Conditional Return at Maturity*;
- The potential for capital growth;
 - Series 15: receive all upside performance to the Performance Cap, with Conditional Protection *
 - Series 16: receive all upside performance (No Cap), with Conditional Protection *
- Choose from 2 Investment Terms (18 months or 3 years) to suit your investment horizon; and
- A minimum investment of \$25,000.

*Please refer to Section 5 “Term Sheet” for an explanation of concepts such as Conditional Protection, Conditional Return and Minimum Conditional Return.

Summary of the Product

An investment in PERLES+ will return, at Maturity:

If a Barrier Event has not occurred, the **GREATER** of:

- \$1 plus a Conditional Return on your initial investment (The Conditional Return is set as described on page 7, but at the date of this PDS, would have been 12% for Series 15 and 39% for Series 16)
- OR**
- The return of the Reference Index over the Investment Term (subject to a Performance Cap for Series 15),

If a Barrier Event has occurred, that is, the Reference Index falls to or below the Barrier Level (at any time prior to Maturity) the minimum return ceases to apply and the return on the PERLES+ will be equal to:

- The return of the Reference Index over the Investment Term (subject to a Performance Cap for Series 15).

PERLES+ is designed as a “buy and hold” investment. If you withdraw before Maturity you may incur Break Costs. (See “Can I sell my PERLES+ Units prior to Maturity?” on page 9).

What are PERLES+ Units and how do they work?

PERLES+ Units are an investment whose return at Maturity is linked to the performance of the Reference Index.

Each PERLES+ Unit is a separate Deferred Purchase Agreement between you and UBSSAL, under which you agree to purchase the Delivery Parcel (consisting of the Delivery Assets) from UBSSAL on a deferred basis. This means that if, for example, your initial investment is \$100,000, you have entered into 100,000 separate Deferred Purchase Agreements at an initial Purchase Price of \$1.00 per Unit.

If your Approved Adviser agrees to waive its Approved Adviser Fee by providing notice in writing to UBSSAL by the Initial Offer Period Close date, additional Units will be issued to you. For example, if your Total Investment Amount is \$100,000 in Series 15, and the Approved Adviser Fee is waived, you will receive 101,523 Units, and therefore will have entered into 101,523 separate Deferred Purchase Agreements. The number of Units you receive will be calculated as $(\text{Total Investment Amount}) / (\text{Purchase Price} \times (1 - \text{Approved Adviser Fee}))$.

Although each PERLES+ Unit constitutes a separate agreement between you and UBSSAL, UBSSAL may in its discretion aggregate the Units for the purposes of calculations.

PERLES+ Units offer full exposure to any positive returns of the Reference Index (subject to a Performance Cap for Series 15) as well as Conditional Protection in the form of a minimum return (\$1 plus the Conditional Return) as long as the Reference Index does not fall to or below the Barrier Level (70%) at any time prior to Maturity.

There will be no payments made to you in respect of your PERLES+ Units prior to Maturity.

At Maturity, PERLES+ Units are physically settled to your account in the form of a Delivery Parcel. The value of this Delivery Parcel will correspond to the Final Value per Unit of your PERLES+ investment.

Investors can alternatively elect to sell the Delivery Parcel and receive cash by using the Agency Sale Arrangement described on page 28.

How will the value of my Delivery Parcel at Maturity be calculated?

At Maturity you will receive the Delivery Parcel, the value of which is determined by reference to the Final Value per PERLES+ Unit.

The Final Value per Unit for Series 15 is calculated as follows:

If there has been no Barrier Event:

The **greater** of:

- $\$1.00 \times (1 + \text{Conditional Return})$ per Unit; **or**
- $\$1.00 \times (1 + \text{Capped Reference Index Return})$ per Unit

If a Barrier Event has occurred:

- $\$1.00 \times (1 + \text{Capped Reference Index Return})$ per Unit

The Final Value per Unit for Series 16 is calculated as follows:

If there has been no Barrier Event:

The **greater** of:

- $\$1.00 \times (1 + \text{Conditional Return})$ per Unit; **or**
- $\$1.00 \times (1 + \text{Reference Index Return})$ per Unit

If a Barrier Event has occurred:

- $\$1.00 \times (1 + \text{Reference Index Return})$ per Unit

Barrier Event

A Barrier Event occurs if the Reference Index falls to or below the Barrier Level (70%) at any time prior to Maturity.

If a Barrier Event does occur, the protection of the Conditional Return ceases to exist and the return on the PERLES+ Unit will be the return of the Reference Index at Maturity (be it positive or negative and subject to a Performance Cap for Series 15).

Conditional Return

As long as no Barrier Event has occurred, the Final Value of the PERLES+ Unit will be at least \$1 plus the Conditional Return.

The Conditional Return will be fixed on the Strike Date. As an indication, if the product had been issued at the date of this PDS, this Conditional Return would have been 12% for Series 15 and 39% for Series 16 (based on the prevailing levels for the factors listed below). If the Conditional Return cannot be set to at least 10% for Series 15 and at least 35% for Series 16 (the "Minimum Conditional Return"), the issue will not proceed and UBSSAL will return your application monies without interest.

The Conditional Return is dependent mainly on:

- the volatility of the Reference Index;
- the prevailing level of interest rates in Australia;
- the UBSSAL Credit Margin; and
- to a lesser degree, the Closing Level of the Reference Index on the Strike Date.

If you invest during the Initial Offer Period, you will be notified of the Conditional Return in your Confirmation Notice. UBSSAL will also issue a Supplementary PDS after the Initial Offer Period closes to notify Investors who invest during the General Offer Period of the Conditional Return.

Performance Cap (Series 15 only)

The Performance Cap applies to Series 15 only and will cap your participation in any growth in the Reference Index. The Performance Cap is the maximum return you can make from an investment in Series 15.

The Performance Cap will be fixed on the Strike Date. As an indication, if the product had been issued at the date of this PDS, the Performance Cap would have been 28% (based on the prevailing levels for the factors listed below). If the Performance Cap cannot be set to at least 25% (the "Minimum Performance Cap"), the issue will not proceed and UBSSAL will return your application monies without interest.

The Performance Cap is dependent mainly on:

- the volatility of the Reference Index;
- the prevailing level of interest rates in Australia;
- the UBSSAL Credit Margin; and
- to a lesser degree, the Closing Level of the Reference Index on the Strike Date.

If you invest during the Initial Offer Period, you will be notified of the Performance Cap in your Confirmation Notice. UBSSAL will issue a Supplementary PDS after the Initial Offer Period closes to notify Investors who invest during the General Offer Period of the Performance Cap.

Reference Index Return

The Reference Index Return is the return of the Reference Index over the Investment Term and is calculated as follows:

$$\text{Reference Index Return} = \frac{\text{Index Ending Level} - \text{Index Starting Level}}{\text{Index Starting Level}}$$

Index Starting Level: The Closing Level of the Reference Index on the Strike Date

Index Ending Level: The Closing Level of the Reference Index on the Maturity Date

Capped Reference Index Return

The Capped Reference Index Return is applicable to Series 15 only and is the lower of the Reference Index Return and the Performance Cap (hence the Reference Index Return is capped at the Performance Cap).

What do I receive at Maturity?

By investing in the PERLES+ Units, you agree to purchase the Delivery Parcel from UBSSAL which consists of ordinary fully paid shares in BHP Billiton Limited (the "Delivery Asset"). The value of the Delivery Assets you receive from UBSSAL will equal the Final Value of your PERLES+ units at the end of the Investment Term less any Costs and Taxes incurred by UBSSAL in relation to Maturity.

As at the date of this PDS, UBSSAL does not expect there to be any Costs and Taxes that are not set out in the "Fees & Expenses" section at page 11. No delivery will occur if the Final Value of the Units is zero.

You will need to consider whether the Delivery Asset is a suitable investment for you at the time that the Units mature. You should note that in certain circumstances where it is not possible or efficient to obtain or transfer one or more of the intended Delivery Asset, UBSSAL has the discretion to substitute the Delivery Assets, which means that you will receive the substituted Delivery Assets rather than shares in BHP Billiton Limited. This may occur, for example, where UBSSAL is unable to transfer the Delivery Assets due to legal or regulatory restrictions relating to the Delivery Assets (including a Suspension from trading or quotation) or to UBSSAL itself (including as a result of internal restrictions designed to comply with any laws or regulations). It may also occur, for example, where the cost to transfer the Delivery Assets is prohibitively high. The substituted delivery assets can be any security listed on the ASX, forming part of the S&P/ASX 200 Index. You should take this into consideration when deciding whether to purchase this product. Once the Units mature and you receive the Delivery Parcel, you will have an investment in the Delivery Asset and will no longer have exposure to the Reference Index.

Refer to the "What Happens at Maturity?" section on page 28 for further details.

The Delivery Asset

The Delivery Asset is ordinary fully paid shares in BHP Billiton Limited listed on the ASX. Please refer to Section 7 "The Delivery Asset" for further details about the Delivery Asset.

Can I elect to receive a cash payment at Maturity?

You will automatically receive the Delivery Parcel on the Settlement Date (or as soon as practicable thereafter) unless you elect to sell your Delivery Assets through a special sale facility (the "Agency Sale Arrangement") that UBSSAL will offer at Maturity. Refer to the "What Happens at Maturity?" section on page 28 for further details.

Can I sell my PERLES+ Units prior to Maturity?

While the PERLES+ Units are designed as a “buy and hold” investment, you will have the opportunity to sell to UBSSAL your PERLES+ Units on any Business Day during the Investment Term. If you elect to sell your Units prior to Maturity, you will not receive any Conditional Protection or Conditional Return, and you may receive less than your Total Investment Amount.

You may request that UBSSAL buys back all of your Units by filling out the Investor Sale Form attached to this PDS and lodging it with UBSSAL. If UBSSAL accepts your offer to sell your Units prior to Maturity, then UBSSAL will determine the actual price you receive on the relevant date (the “Buy-Back Price”). This price will vary during the Investment Term and will take into account the economic value UBSSAL achieves on the unwinding of any securities and derivatives it has in place to hedge its exposure under the Units (based on several factors including those set out on page 31 of this PDS), and any Break Costs. Since the Buy-Back Price can be less than \$1 per unit, you may receive less than your Total Investment Amount when you sell your Units, and Conditional Protection and the Conditional Return will not apply. Details of the actual Buy-Back Price will be notified to Investors by way of a Settlement Notice.

UBSSAL may publish indicative Buy-Back Prices at any time and provide this information to certain market data service providers – please refer to the market data codes listed in the Term Sheet on page 27 of this PDS. Investors should note that these prices will be indicative only and may be higher or lower than the Buy-Back Price that you will actually receive when you sell your Units.

Once the Investor Sale Form is lodged, your request for UBSSAL to buy back your Units is irrevocable and UBSSAL may accept or reject your request. Unless you are an Indirect Investor your request must be in respect of your entire parcel of Units. Please refer to Section 8 “After the Initial Offer Period” for important information on how the Buy-Back Price is determined and how you can make a request to sell your Units. You should also refer to clause 6.3 of the Deferred Purchase Agreement to understand your rights and obligations if you request a UBSSAL Buy-Back.

Who is the Issuer of the PERLES+ Units?

UBS Securities Australia Limited (UBSSAL) is the Issuer of the Units. The obligations of UBSSAL are unsecured obligations which rank equally with all other unsecured obligations of UBSSAL, and in a winding up you may not receive these amounts. UBSSAL is a wholly owned and non guaranteed subsidiary of UBS AG. Further information on UBSSAL is provided in Section 10 on page 39.

Can UBSSAL nominate an Early Maturity?

UBSSAL has discretion to nominate certain events as an Early Maturity Event in certain circumstances. There is no Conditional Protection on Early Maturity. The value of your Units on Early Maturity may be less than the Issue Price of \$1.00 per Unit even where no Barrier Event has occurred. You will be given prior notice of any proposed Early Maturity in accordance with the Terms. You should read clauses 6 and 7 of the “Terms of the Deferred Purchase Agreement” for a full list and detailed description of the circumstances in which UBSSAL may call an Early Maturity Event, and to fully understand your rights and obligations if it does occur.

One of the circumstances in which an Early Maturity Event may be called is termed an Adjustment Event, and a list of these may be found in the Glossary on page 62.

To help summarise for investors, the following is a simplified list of the circumstances in which an Early Maturity Event may be called:

- 1) Where the S&P/ASX200 Index is suspended, no longer calculated or changed materially;
- 2) Where securities in the S&P/ASX200 Index are suspended from trading;
- 3) Where UBSSAL is unable to establish, maintain or unwind its hedging activities in respect of the Units or where there is a materially increased cost of doing this;
- 4) Where UBSSAL is or will become unable to perform its obligations under the Units because it has become unlawful or illegal to do so.

Items 1 to 3 above are Adjustment Events. In the case of Adjustment Events, UBSSAL will generally seek to adjust the terms of the Units to put both it and the investor in substantially the same economic position as if

the Adjustment Event had never occurred. If it is not possible to do this then UBSSAL will look at calling an Early Maturity Event.

What if I'm buying Units after the Initial Offer Period closes?

An Investor may apply to UBSSAL (through an Approved Adviser) to acquire Units after the Initial Offer Period closes, but should note the following differences:

- the Purchase Price for each Unit will be determined by UBSSAL, in its absolute discretion, on receipt of the Investor's Application Form, taking into account factors including the current value of issued Units, the level and volatility of the Reference Index, the dividend rate paid on the securities that make up the Reference Index, the UBSSAL Credit Margin and prevailing Australian interest rates, whether a Barrier Event has occurred and the remaining term to Maturity⁴;
- Investors who purchase Units in the General Offer Period at a Purchase Price greater than the Issue Price will receive a lower overall return, or make a greater loss, as the Conditional Return and exposure to the performance of the Reference Index following a Barrier Event are applied to the Issue Price and not the Investor's Purchase Price;
- To the extent an Investor pays more than \$1.00 for each Unit, they may effectively receive a return less than the Conditional Return, as the Conditional Return is applied to the Issue Price, not the Investor's Purchase Price;
- Further, if a Barrier Event does occur, the calculation of the Final Value and the Investor's exposure to the performance of the Reference Index will also be calculated by reference to the Issue Price. If the Investor paid more than \$1.00 for their Units, this will represent a greater loss per Unit than Investors who invested at the \$1.00 Issue Price during the Initial Offer Period; and
- the Investor's Approved Adviser or broker may charge commission or brokerage at their discretion which will be payable by the Investor in addition to the Purchase Price paid to UBSSAL for the Units (which may take into account an amount referable to the Approved Adviser Fee).

The Units purchased by Investors applying after the Initial Offer Period will be subject to the same Terms and have the same Conditional Return as the Units issued at the end of the Initial Offer Period. In other words, the Final Value for these Units will be the same as for Units issued earlier. Please refer to Section 8 for more information on making an investment after the Initial Offer Period.

What are the taxation implications of this investment?

Clayton Utz has provided a taxation summary which is included in this PDS. Briefly, the taxation summary, as it applies to Australian residents, includes the following points⁵:

- the Australian Tax Office (ATO) should treat any gain or loss arising in respect of the PERLES+ Units on delivery of the Delivery Parcel (if any) as a capital gain or loss (there is however, a risk that the ATO may form the view that the Units are sufficiently "debt like" and as such, may treat any gain as being an amount of assessable income for the purposes of the Act);
- any capital gain arising on delivery should be a discount capital gain where delivery occurs more than 12 months after the date of acquisition of the PERLES+ Units;
- a capital gain or loss may arise in respect of the Delivery Parcel when the Delivery Parcel is sold (including under the Agency Sale Arrangement); and

⁴ Please note the Purchase Price for Units after the Initial Offer Period is determined by UBS in its absolute discretion and may be higher than the price at which UBS may buy-back Units from existing Investors.

⁵ Depending on your personal circumstances and subject to the assumptions in Section 11 "Taxation Summary" being correct. You should seek your own independent advice on the taxation implications of investing in the PERLES+.

- the ATO should treat the date of acquisition of the Delivery Parcel for the purposes of CGT discount treatment as being the date of delivery of the Delivery Parcel under the PERLES+ Units.

The taxation summary is set out in the "Taxation Summary" in Section 11 of this PDS.

Fees & Expenses

UBSSAL may pay an Approved Adviser Fee to the Approved Adviser, ranging from 0% to 1.5% (inclusive of GST) for Series 15 or 0% to 2.2% (inclusive of GST) for Series 16, of the Purchase Price multiplied by the number of Units distributed by the Approved Adviser. For example, if you invest \$100,000 in Series 15, UBSSAL may pay an Approved Adviser Fee of up to \$1,500. The Approved Adviser Fee will be funded out of UBSSAL's revenue from offering the Units, and is not paid by investors.

Where the Approved Adviser Fee is waived by the Approved Adviser, you will receive additional Units as calculated in Section 1 under "What are PERLES+ Units and how do they work?".

UBSSAL may earn income and profit from its management of the underlying risk associated with the Units, which does not impact the calculation of the Final Value of the Units and is not charged as a fee. The calculation of the Final Value of Units is independent of any income earned by UBSSAL.

UBSSAL reserves the right to pass on to you any unforeseen Costs and Taxes in the calculation of the Delivery Parcel. At the date of this PDS, UBSSAL is not aware of any Costs and Taxes payable.

Break Costs may arise in relation to Early Maturity or a UBSSAL Buy-Back. Break Costs are a component of the calculation of the Buy-Back Price or Early Maturity Value and are not a separate charge levied by UBSSAL. In practice, the Buy-Back Price will depend on the economic value that UBSSAL achieves on the unwinding of any securities or derivatives it has in place to hedge its exposure under the Units and on the quantum of any Break Costs. The economic value that it achieves will be reliant on several factors including but not limited to the level and volatility of the S&P/ASX 200 Index, the dividend rate paid on the securities that make up the Reference Index, the UBSSAL Credit Margin and prevailing Australian interest rates, whether a Barrier Event has occurred and the remaining term to Maturity. The actual size of the impact of these factors on the Buy-Back Price will vary and is not quantifiable at the time you acquire your Units, however the general effect of each factor on Unit value has been provided for you in the table on page 31. UBSSAL may also incur Break Costs when executing the early unwind, which are costs, expenses and losses suffered by UBSSAL as a result of the early termination of the Deferred Purchase Agreement. Such amounts may include, but are not limited to costs incurred in terminating UBSSAL's hedge positions, taxes or fees paid that are non-recoverable, administrative cost of processing the early termination, or loss of profits on the terminated positions. These costs will vary over time and may be linked to the economic value that UBSSAL achieves on the unwinding of its hedge positions so they cannot be determined with certainty at the time you acquire your Units. Break Costs could be significant.

Investors and their Approved Advisers can contact UBSSAL and request an estimate of the Buy-Back Price that would apply to the Buy-Back of Units on any given day. UBSSAL will provide an estimate of the Buy-Back Price (which will be net of any Break Costs) to Investors to enable them to determine the likely Buy-Back Price if the Investor requests a UBSSAL Buy-Back. However, the actual Buy-Back Price at which UBSSAL will buy-back your Units will only be confirmed when the UBSSAL Buy-Back is transacted. The actual Buy-Back Price may therefore be different to the estimate provided at an earlier time.

If the Units are terminated early as a result of an Early Maturity Event, then the Early Maturity Value payable by UBSSAL will be determined in accordance with clause 6 of the Terms in Section 13. If you purchase Units during the General Offer Period through an Approved Adviser, that Approved Adviser may charge you brokerage in accordance with any client agreement you may have in place with them. This is not a fee charged by UBSSAL.

How do I invest in the PERLES+?

You may apply for PERLES+ Units through an Approved Adviser on any day during the Initial Offer Period or General Offer Period set out on page 4 of this PDS, by providing to your Approved Adviser a completed Application Form referencing the amount of PERLES+ Units that you wish to invest in and providing payment of your Total Investment Amount. You may also be required to provide other supporting

documentation as required by the Approved Adviser. The Approved Adviser will forward your Application to UBSSAL.

The Application Form is on page 73. By signing the Investor Application Form and arranging for your Approved Adviser to lodge it with UBSSAL, you agree to be bound by the Terms, which includes the terms of the Deferred Purchase Agreement, the PDS and any supplement applicable to your Units. You also agree to appoint UBSSAL as your agent to enable UBSSAL to execute all documents necessary on your behalf to effect the sale and purchase of PERLES+ Units.

IDPS providers should submit one Application Form for their total investment.

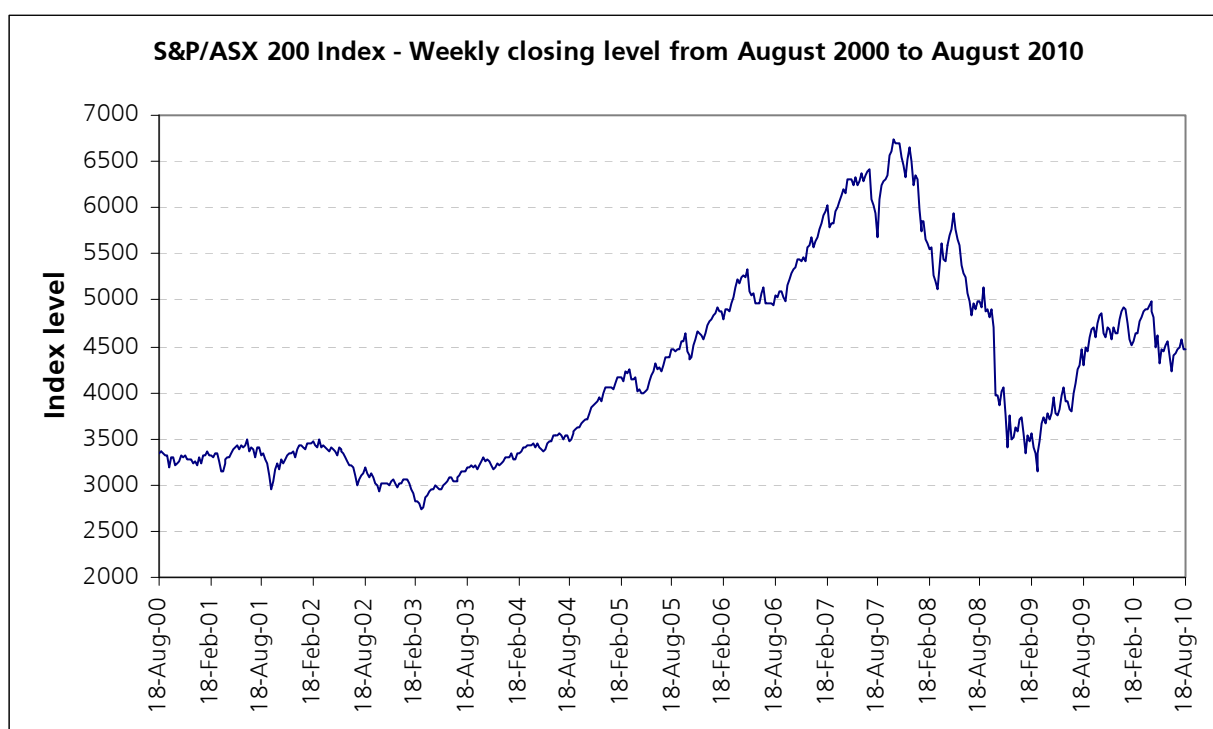
Refer to the "How to Invest and Sell Back" section on page 70 of this PDS for more details.

Section 2 – The Reference Index

The S&P/ASX 200 is comprised of the S&P/ASX 100 plus an additional 100 stocks and covers approximately 78% of Australian equity market capitalisation.

This index is maintained by the S&P Australian Index Committee, comprised of five members representing both the Australian Securities Exchange and Standard & Poor's. They follow a set of published guidelines and policies that provide the transparent methodologies used to maintain the indices.

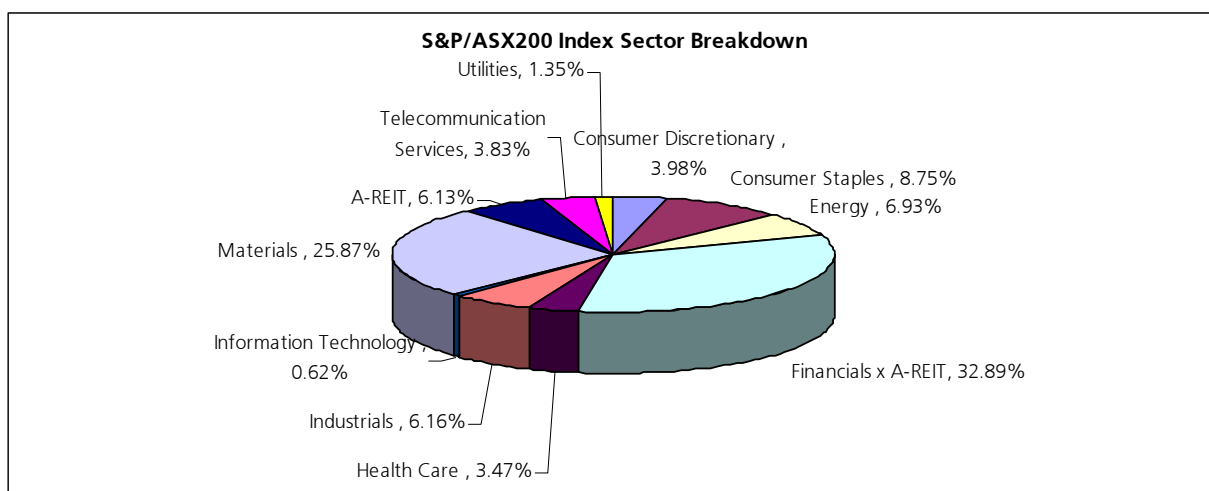
The Index Committee reviews constituents quarterly to attempt to ensure adequate market capitalization and liquidity. Both market capitalization and liquidity are assessed using the previous six months' worth of data. Quarterly review changes take effect the third Friday of December, March, June, and September. The weighting of constituents in the S&P/ASX 200 is determined by the float-adjusted market capitalization assigned to each security by the Index Committee. Every index constituents' float adjustment is reviewed as part of the March quarterly review.



Source: Bloomberg

This graph shows the level of the S&P/ASX200 Index for a period of approximately ten years from 18 August 2000 to 18 August 2010. The graph is based on the closing level of the S&P/ASX200 Index as calculated and published by S&P on each trading day during the period.

You should note that the graph above shows the historical levels of the S&P/ASX200 Index. The graph does not show the return or performance of the UBSSAL PERLES+ Units. You should note that past performance and the historical level of the Reference Index is not a reliable indicator of future performance. In addition you should note that this graph shows the historical levels of the S&P/ASX200 Index over a period of over 10 years, whereas the investment term for the UBSSAL PERLES+ Units is significantly less than this period.



Source: Standard and Poors, August 2010

For more information please visit www.standardandpoors.com

S&P/ASX200 Index Disclaimer

The Product is not sponsored, endorsed, sold or promoted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") or the Australian Securities Exchange ("ASX"). S&P and ASX make no representation, condition or warranty, express or implied, to the owners of the Product or any member of the public regarding the advisability of investing in securities generally or in the Product particularly or the ability of the S&P/ASX200 Index to track general stock market performance. S&P's only relationship to the Licensee is the licensing of certain trademarks and trade names of S&P and the S&P/ASX200 Index, which is determined, composed and calculated by S&P without regard to the Licensee or the Product. S&P has no obligation to take the needs of the Licensee or the owners of the Product into consideration in determining, composing or calculating the S&P/ASX200 Index. S&P is not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Product to be issued or in the determination or calculation of the equation by which the Product is to be converted into cash. S&P and ASX have no obligation or liability in connection with the administration, marketing or trading of the Product.

S&P SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE S&P INDEXES FROM SOURCES THAT S&P CONSIDERS RELIABLE, BUT S&P ACCEPTS NO RESPONSIBILITY FOR, AND SHALL HAVE NO LIABILITY FOR, ANY ERRORS, OMISSIONS OR INTERRUPTIONS THEREIN. S&P AND ASX DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P INDEXES OR ANY DATA INCLUDED THEREIN. S&P AND ASX MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM THE USE OF THE S&P INDEXES OR ANY DATA INCLUDED THEREIN. S&P AND ASX MAKE NO EXPRESS OR IMPLIED WARRANTIES AND EXPRESSLY DISCLAIM ALL CONDITIONS AND WARRANTIES IMPLIED BY STATUTE, GENERAL LAW OR CUSTOM WITH RESPECT TO THE S&P INDEXES OR ANY DATA INCLUDED THEREIN EXCEPT ANY IMPLIED CONDITION OR WARRANTY THE EXCLUSION OF WHICH WOULD CONTRAVENE ANY STATUTE OR CAUSE ANY PART OF THIS SECTION TO BE VOID.

Section 3 – Summary of Advantages and Risks of investing in UBSSAL PERLES+

Advantages

An investment in UBSSAL PERLES+ offers the following advantages:

- Full participation in any upside of the S&P/ASX200 Index for Series 16 and full participation in any upside up to a cap for Series 15;
- Attractive Conditional Return at Maturity, subject to a Barrier Event not having occurred during the Investment Term;
- Potential to noticeably outperform the Reference Index in sideways or slightly bearish market conditions;
- Conditional Protection at Maturity unless a Barrier Event occurs, provided Units were purchased at the Issue Price;
- Exposure to an index comprising securities in Australia's largest listed companies;
- An innovative investment opportunity in a transparent and simple form;
- Ability to choose from two investment terms (18 months or 3 years) to suit your investment horizon;
- For individual Australian residents whose circumstances satisfy the assumptions in the Taxation Summary in Section 11 of this PDS, the ATO should treat any gain arising in respect of the Units as a capital gain and therefore eligible for discount CGT treatment where delivery occurs more than 12 months after the date of acquisition of the Units;
- Daily liquidity provided by UBSSAL (but at its discretion).

Risks

UBSSAL PERLES+ is a structured product that does NOT have an overall principal protection feature. Hence you may lose all of your Total Investment Amount if a Barrier Event occurs and the Reference Index falls to zero. The return on your investment could also be less than that you might earn on other investments and could be zero.

The key risks include:

- The market value of the Units may fluctuate between the date you purchase Units and the Maturity Date. Several factors will influence the market value of the Units including (among other things) the prevailing level and volatility of the Reference Index, the dividend rate paid on the securities that make up the Reference Index, the UBSSAL Credit Margin and prevailing Australian interest rates, whether a Barrier Event has occurred and the remaining term to Maturity. Even if the Reference Index level is unchanged and all other market variables remain constant, the Unit value will fall as you approach the Final Maturity Date – this is referred to as "time decay";
- The price of the Reference Index can go down as well as up;
- There is no Conditional Protection or Conditional Return on Early Maturity or if an Investor sells their Units back to UBSSAL prior to Maturity;
- Conditional Protection and the Conditional Return only apply as long as a Barrier Event does not occur. If a Barrier Event occurs, an Investor will then be exposed to the downside performance of the Reference Index (See page 6 for how this is calculated). A Barrier Event occurs if, at any time during the Investment Term, the Reference Index falls to or below the Barrier Level;
- UBSSAL (or its nominee) may buy back your UBSSAL PERLES+. Buy-back requests are irrevocable and UBSSAL might not accept a request immediately but hold it over if that day is a Disrupted Day. This will delay the processing of an Investor's buy-back request and may impact the Buy-Back Price an Investor receives;
- The Early Maturity Value and Buy-Back Price may be less than the Purchase Price and may also be reduced by any related Costs and Taxes, Break Costs, administrative costs and costs of unwinding any

hedge incurred by the Issuer on Early Maturity or UBSSAL Buy-Back. The Break Costs may be significant and may not be in your favour;

- The delivery of the Delivery Assets (or the Sale Proceeds if you elect to use the Agency Sale Arrangement) at the Final Value is subject to the creditworthiness of UBSSAL and Investors should make their own assessment of this risk. In particular, Investors should note that these obligations are unsecured obligations of UBSSAL which rank equally with all other unsecured obligations of UBSSAL and in a winding up of UBSSAL, you may not receive these amounts. UBSSAL's obligations are not guaranteed by UBS AG or any other entity in the UBS group;
- Market movements from the Maturity Date to the Settlement Date will affect the value of the Delivery Parcel. After the Maturity Date, Investors will have price exposure to the Delivery Assets. UBSSAL will transfer the Delivery Assets to Investors as soon as practicable, but there is a risk that they may fall in value by the time they are transferred. Therefore, the value of shares received by the Investor on the Settlement Date may be different to the Final Value of Units calculated on the Maturity Date;
- Under the terms of the Units, UBSSAL has the right to transfer its rights and obligations under this PDS and the Terms;
- The expected tax implications of entering into and/or exiting an investment in UBSSAL PERLES+ at Maturity may change as a result of changes in the taxation laws and interpretation of them by the ATO. Please refer to Section 11 - Taxation Summary in this PDS for a more detailed description of the taxation treatment of the Units and obtain independent advice that takes into account your specific circumstances;
- Investors who purchase Units in the General Offer Period at a Purchase Price greater than the Issue Price will receive a lower overall return, or make a greater loss, as any Conditional Return and exposure to the performance of the Reference Index following a Barrier Event are applied to the Issue Price and not the Investor's Purchase Price;
- The Purchase Price paid by Investors during the General Offer Period may also be less than that paid by investors during the Initial Offer Period, potentially providing a greater return to those that invest in the General Offer Period compared to those that invested in the Initial Offer Period;
- In certain circumstances, UBSSAL has the right to make adjustments to or substitute the Delivery Assets or any part of them. UBSSAL can also amend or adjust any variable, formula, amount or calculation as set out or used in the PDS, the Term Sheet or the Terms if an Adjustment Event occurs. You should read clause 7 of the Terms and the definition of Adjustment Event. When this PDS refers to ordinary fully paid shares of BHP Billiton Limited listed on ASX as the Delivery Asset at Maturity, we are assuming that there will be no adjustment. However, this may not be the case. You are warned of this and should take this into account when considering your investment. You will be notified if an adjustment occurs; and
- If UBSSAL considers that it is not possible or desirable to deal with the Adjustment Event as set out above, then we may make alterations to clause 7 of the Terms or any other term we consider appropriate or nominate it as an Early Maturity Event.

These risks are explained in more detail in Section 9 of this PDS.

Section 4 – Illustrative Examples, Scenario Analysis & Payoff Diagrams

Series 15

Please note all parts of this Section 4 assume a Conditional Return of 12% and a Performance Cap of 28% for Series 15. This is the Conditional Return and the Performance Cap that would have been set if the Series 15 Units were issued on the date of this PDS. Note that the actual Conditional Return and Performance Cap will be set on the Strike Date and will not be less than the Minimum Conditional Return and the Minimum Performance Cap, respectively.

Illustrative Examples

The following calculations are based on hypothetical values for the Reference Index Return and are intended to illustrate the process of determining the Final Value at Maturity. Any growth in value or returns shown are assumed returns over the period and are not based on any historical period and are not an indicator of future returns. All dollar amounts are expressed in AUD, unless otherwise stated.

Step 1 – Calculate Reference Index Return

The Reference Index Return is calculated as (Index Ending Level – Index Starting Level)/Index Starting Level. Assuming an Index Ending Level of 5520 and an Index Starting Level of 4600:

$$\begin{aligned}\text{Reference Index Return} &= \frac{5520 - 4600}{4600} \\ &= 20.00\%\end{aligned}$$

Step 2 – Calculate Final Value of PERLES+ Units

	Scenario 1	Scenario 2	Scenario 3
Reference Index Return	-20%	20%	60%
Capped Reference Index Return*	-20%	20%	28%
Final Value (assuming Barrier Event)	\$0.80	\$1.20	\$1.28
Final Value (assuming NO Barrier Event)	\$1.12	\$1.20	\$1.28

*The Capped Reference Index Return is calculated as the lower of the Reference Index Return and the Performance Cap.

In the case of the first scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Capped Reference Index Return}) \\ &= \$1.00 \times (1 + -20\%) \\ &= \$1.00 \times 0.80 \\ &= \$0.80\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times (1 + 12\%) \\ &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times 1.12 \\ &= \$1.12\end{aligned}$$

In the case of the second scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Capped Reference Index Return}) \\ &= \$1.00 \times (1 + 20\%) \\ &= \$1.00 \times 1.20 \\ &= \$1.20\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times (1 + 12\%) \\ &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times 1.12 \\ &= \$1.20\end{aligned}$$

In the case of the third scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Capped Reference Index Return}) \\ &= \$1.00 \times (1 + 28\%) \\ &= \$1.00 \times 1.28 \\ &= \$1.28\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$1.28 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$1.28 \text{ and } \$1.00 \times (1 + 12\%) \\ &= \text{Greater of } \$1.28 \text{ and } \$1.00 \times 1.12 \\ &= \$1.28\end{aligned}$$

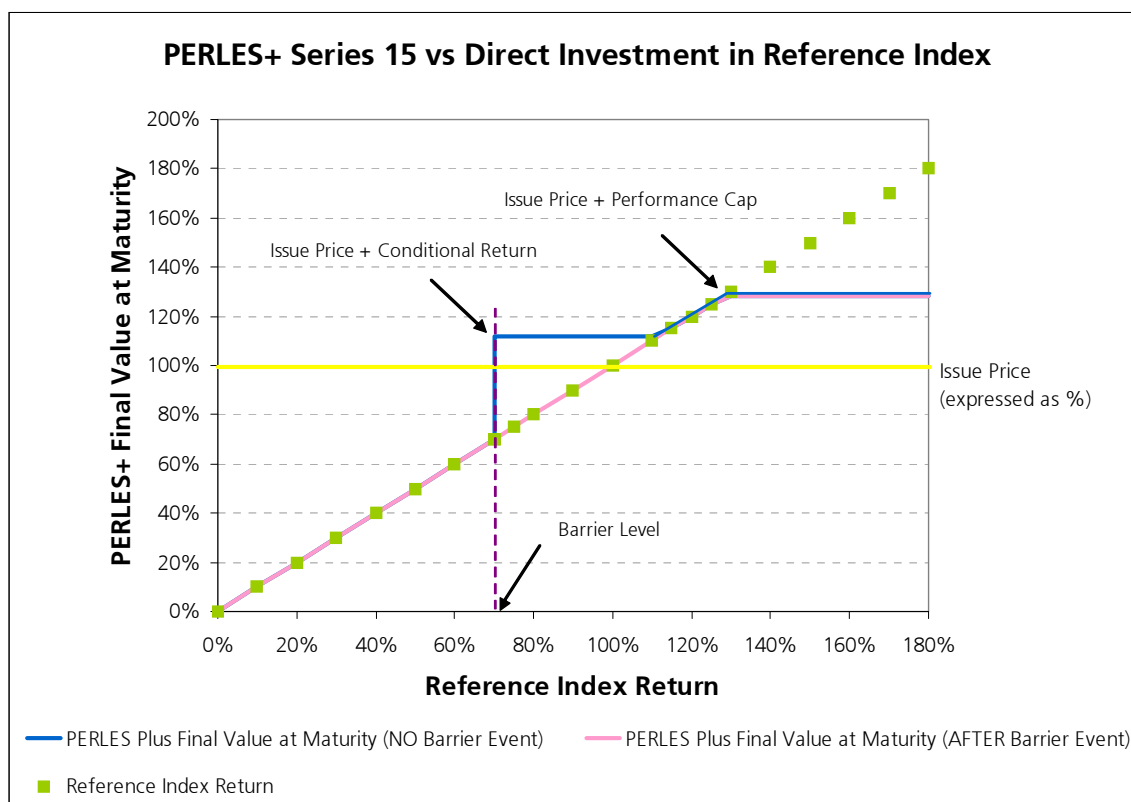
Scenario Analysis

The tables below summarise the return on the PERLES + Units for each Series for the three different scenarios.

	Scenario 1	Scenario 2	Scenario 3
Reference Index Return at Maturity (%)	-20%	20%	60%
Capped Reference Index Return at Maturity (%)	-20%	20%	28%
Index Starting Level	4600	4600	4600
Index Ending Level	3680	5520	7360
PERLES + Return at Maturity % (Barrier Event during term)	-20%	20%	28%
PERLES + Return at Maturity % (NO Barrier Event)	+12%	20%	28%

Payoff Diagrams

The following payoff diagrams are designed to illustrate the potential difference in hypothetical returns on the PERLES+ Series 15 Units compared with the performance of the S&P/ASX200 Index at Maturity (i.e. the Reference Index Return).



The diagram illustrates the following:

If NO Barrier Event has occurred then

- up to a Reference Index Return of 28%, the PERLES+ Units will outperform against the Reference Index Return at Maturity;
- above a Reference Index Return of 28% and below a Reference Index Return of 120%, the PERLES+ Units will provide the same return as the Reference Index Return at Maturity; and
- above a Reference Index Return of 120%, the PERLES+ Units will underperform the Reference Index Return at Maturity.

If a Barrier Event has occurred then

- up to a Reference Index Return of 28%, the PERLES+ Units will provide the same return as the Reference Index Return at Maturity; and
- above a Reference Index Return of 28%, the PERLES+ Units will underperform the Reference Index Return at Maturity.

Series 16

Please note all parts of this Section 4 assume a Conditional Return of 39% for Series 16. This is the Conditional Return that would have been set if the Series 16 Units were issued on the date of this PDS. Note that the actual Conditional Return will be set on the Strike Date and will not be less than the Minimum Conditional Return.

Illustrative Examples

The following calculations are based on hypothetical values for the Reference Index Return and are intended to illustrate the process of determining the Final Value at Maturity. Any growth in value or returns shown are assumed returns over the period and are not based on any historical period and are not an indicator of future returns. All dollar amounts are expressed in AUD, unless otherwise stated.

Step 1 – Calculate Reference Index Return

The Reference Index Return is calculated as (Index Ending Level – Index Starting Level)/Index Starting Level. Assuming an Index Ending Level of 5520 and an Index Starting Level of 4600:

$$\begin{aligned}\text{Reference Index Return} &= \frac{5520 - 4600}{4600} \\ &= 20.00\%\end{aligned}$$

Step 2 – Calculate Final Value of PERLES+ Units

	Scenario 1	Scenario 2	Scenario 3
Reference Index Return	-20%	20%	60%
Final Value (assuming Barrier Event)	\$0.80	\$1.20	\$1.60
Final Value (assuming NO Barrier Event)	\$1.39	\$1.39	\$1.60

In the case of the first scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Reference Index Return}) \\ &= \$1.00 \times (1 + -20\%) \\ &= \$1.00 \times 0.80 \\ &= \$0.80\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times (1 + 39\%) \\ &= \text{Greater of } \$0.80 \text{ and } \$1.00 \times 1.39 \\ &= \$1.39\end{aligned}$$

In the case of the second scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Reference Index Return}) \\ &= \$1.00 \times (1 + 20\%) \\ &= \$1.00 \times 1.20 \\ &= \$1.20\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times (1 + 39\%) \\ &= \text{Greater of } \$1.20 \text{ and } \$1.00 \times 1.39 \\ &= \$1.39\end{aligned}$$

In the case of the third scenario above:

If a Barrier Event has occurred:

$$\begin{aligned}\text{Final Value} &= \$1.00 \times (1 + \text{Reference Index Return}) \\ &= \$1.00 \times (1 + 60\%) \\ &= \$1.00 \times 1.60 \\ &= \$1.60\end{aligned}$$

If a Barrier Event has not occurred:

$$\begin{aligned}\text{Final Value} &= \text{Greater of } \$1.60 \text{ and } \$1.00 \times (1 + \text{Conditional Return}) \\ &= \text{Greater of } \$1.60 \text{ and } \$1.00 \times (1 + 39\%) \\ &= \text{Greater of } \$1.60 \text{ and } \$1.00 \times 1.39 \\ &= \$1.60\end{aligned}$$

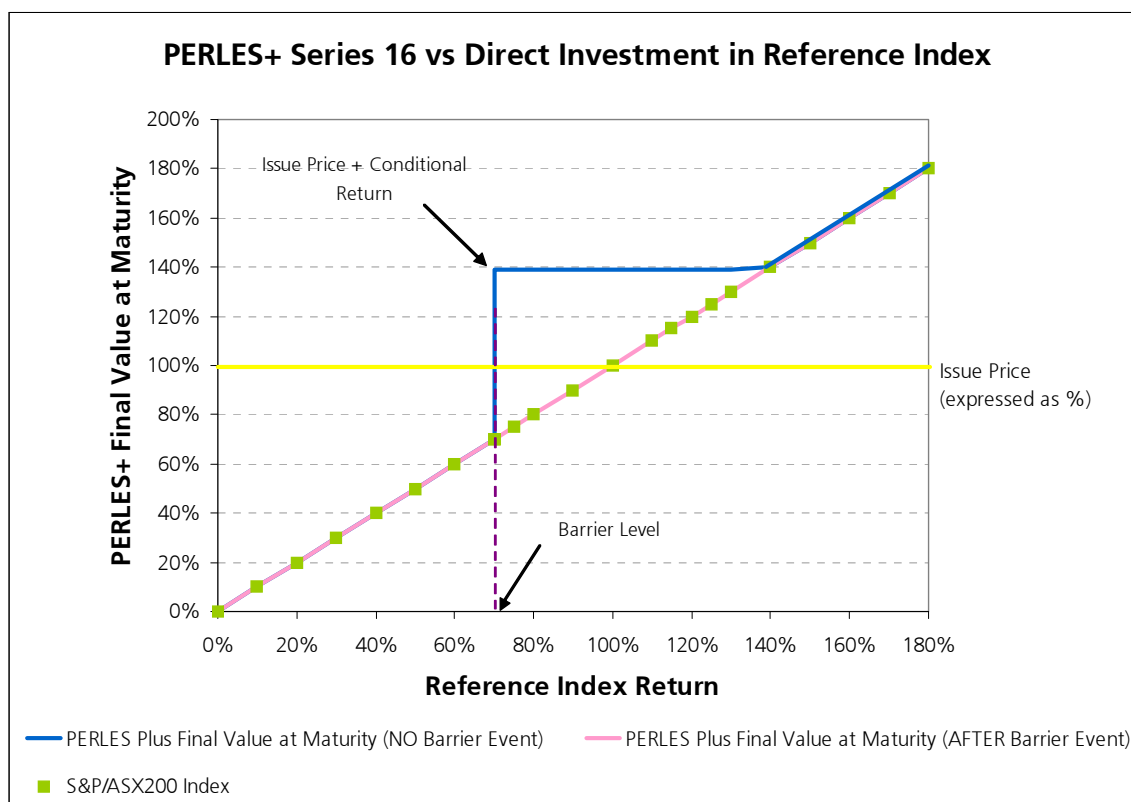
Scenario Analysis

The tables below summarise the return on the PERLES + Units for each Series for the three different scenarios.

	Scenario 1	Scenario 2	Scenario 3
Reference Index Return at Maturity (%)	-20%	20%	60%
Index Starting Level	4600	4600	4600
Index Ending Level	3680	5520	7360
PERLES + Return at Maturity % (Barrier Event during term)	-20%	20%	60%
PERLES + Return at Maturity % (NO Barrier Event)	+39%	39%	60%

Payoff Diagrams

The following payoff diagrams are designed to illustrate the potential difference in hypothetical returns on the PERLES+ Series 16 Units compared with the performance of the S&P/ASX200 Index at Maturity (i.e. the Reference Index Return).



The diagram illustrates the following:

If NO Barrier Event has occurred then

- up to a Reference Index Return of 39%, the PERLES+ Units will outperform against the Reference Index Return at Maturity; and
- above a Reference Index Return of 39%, the PERLES+ Units will provide the same return as the Reference Index Return at Maturity.

If a Barrier Event has occurred then the PERLES+ Units will provide the same return as the Reference Index Return at Maturity.

Section 5 - Term Sheet

The following is a summary only of certain terms of the PERLES+. The information in this section is qualified in its entirety by the more detailed explanations set forth elsewhere in this PDS and the Terms of the Deferred Purchase Agreement as set out in Section 13.

UBSSAL PERLES+ linked to the S&P/ASX200 Index:

Issuer:	UBS Securities Australia Limited (ABN 62 008 586 481) ("UBSSAL")
Registrar:	Link Market Services Limited
Series:	Series 15 and Series 16 – UBSSAL PERLES+ linked to the S&P/ASX200 Index
Investment:	Your agreement to purchase the Delivery Parcel on a deferred basis
Issue Price:	\$1.00 per Unit (Units are not units in a managed investment scheme)
Total Investment Amount:	Purchase Price x number of Units purchased
Minimum Total Investment Amount:	\$25,000 and in multiples of \$5,000 above that amount (UBSSAL may agree to accept different minimum and/or incremental amounts if you are an Indirect Investor).
Investment Term:	18 months for Series 15 and 3 years for Series 16 (from the Strike Date to and including the Maturity Date)
Conditional Protection:	Means the conditional protection against exposure to the negative performance of the Reference Index provided that a Barrier Event has not occurred, and the Units are purchased at the Issue Price and held to Maturity. This effectively provides protection against exposure to a fall in the Reference Index down to (but not including or below) the Barrier Level at any time during the Investment Term. This feature does not provide overall principal protection.
Reference Index:	S&P/ASX200 Index
Reference Index Provider	Standard & Poor's, a division of The McGraw-Hill Companies, Inc.
Dividends/Distributions:	No dividends or distributions will be paid to you during the Investment Term
Barrier Event:	This will occur if, at anytime during the Investment Term, the Reference Index falls to or below the Barrier Level
Barrier Level:	70% of the Index Starting Level
Final Value (Series 15):	<p>The Final Value of each Unit at Maturity will be calculated using the formula below</p> <p><u>If a Barrier Event has not occurred</u>, the Final Value per Unit will be equal to the greater of:</p> <ul style="list-style-type: none"> (i) $\\$1.00 \times (1 + \text{Conditional Return})$ per Unit or (ii) $\\$1.00 \times (1 + \text{Capped Reference Index Return})$ per Unit <p><u>If a Barrier Event has occurred</u>, the Final Value per Unit will be equal to:</p> <p>$\\$1.00 \times (1 + \text{Capped Reference Index Return})$ per Unit</p>
Final Value (Series 16):	The Final Value of each Unit at Maturity will be calculated using the formula below

If a Barrier Event has not occurred, the Final Value per Unit will be equal to the **greater** of:

- (i) $\$1.00 \times (1 + \text{Conditional Return})$ per Unit
- or
- (ii) $\$1.00 \times (1 + \text{Reference Index Return})$ per Unit

If a Barrier Event has occurred, the Final Value per Unit will be equal to:

$\$1.00 \times (1 + \text{Reference Index Return})$ per Unit

Conditional Return:	Set on the Strike Date and subsequently notified to Investors. The issue will not proceed if the Conditional Return is less than the Minimum Conditional Return. Please refer to page 7 for a list of factors that will affect the level of the Conditional Return. As an indication, if the product had been issued at the date of this PDS, this Conditional Return would have been 12% for Series 15 and 39% for Series 16.
Minimum Conditional Return:	10% for Series 15 and 35% for Series 16
Reference Index Return:	$\frac{\text{Index Ending Level} - \text{Index Starting Level}}{\text{Index Starting Level}}$
Capped Reference Index Return:	Applicable to Series 15 only and means the lower of the Reference Index Return and the Performance Cap.
Performance Cap:	Applicable to Series 15 only and set on the Strike Date and subsequently notified to Investors. The issue of Series 15 will not proceed if the Performance Cap is less than the Minimum Performance Cap. Please refer to page 7 for a list of factors that will affect the level of the Performance Cap. As an indication, if the product had been issued at the date of this PDS, this Performance Cap would have been 28%.
Minimum Performance Cap:	25%
Index Starting Level:	The Closing Level of the Reference Index on the Strike Date.
Index Ending Level:	The Closing Level of the Reference Index on the Maturity Date.
Closing Level:	The official closing level of the Reference Index at the close of trading on the Relevant Exchange, as published and disseminated by the Reference Index Provider.
Settlement at Maturity:	PERLES+ are physically settled. The Final Value per Unit will be delivered at Maturity in the form of a Delivery Parcel composed of the Delivery Asset.
Delivery Parcel:	The Delivery Parcel is the number of Delivery Assets to be delivered by UBSSAL to you on the Settlement Date as determined by the following formula: $\frac{(\text{Final Value per Unit} \times \text{number of Units held}) - \text{applicable Costs and Taxes}}{\text{Average Price for the Delivery Assets}}$
Delivery Asset:	Ordinary fully paid shares in BHP Billiton Limited

Relevant Exchange	Australian Securities Exchange	
Approved Adviser Fees:	UBSSAL may pay to the Approved Adviser an upfront selling fee ranging from 0% to 1.5% (inclusive of GST) of the Total Investment Amount for Series 15 and 0% to 2.2% (inclusive of GST) of the Total Investment Amount for Series 16. These fees will be funded out of UBSSAL' revenue from issuing the PERLES+ and will not be a fee paid by Investors	
Market Data Codes:	Bloomberg:	PERLES15
	Reuters:	.UBSPERLESPLUS15
	IRESS:	UBSPERLESPLUS15.IF
Market Data Codes:	Bloomberg:	PERLES16
	Reuters:	.UBSPERLESPLUS16
	IRESS:	UBSPERLESPLUS16.IF
No Listing:	The PERLES+ Units will not be listed or displayed on any securities exchange	
Denomination:	Australian Dollars	

Contact Details

For more information on the PERLES+ please contact your Approved Adviser or UBSSAL on 1800 633 100 or visit the UBSSAL website www.ubs.com/equitysolutions.

Section 6 - What happens at Maturity?

UBSSAL will notify Investors of the upcoming Maturity by sending them a Maturity Notice approximately 20 Business Days before the Maturity Date.

Following the Maturity Date, UBSSAL will calculate the Delivery Parcel for the Units using the Final Value.

Delivery and Settlement

The Delivery Parcel is the number of Delivery Assets to be delivered by UBSSAL or its nominee to you on Maturity. The Delivery Asset will be ordinary fully paid shares in BHP Billiton Limited. However, you should note that UBSSAL has the right to substitute another asset as the Delivery Asset. The substitute Delivery Asset must be a security quoted and trading on the ASX and included in the S&P/ASX200 Index. Otherwise, the choice of substitute Delivery Asset is at UBSSAL's discretion.

At Maturity there are two options available to you. These options are:

1. Accept physical delivery of the Delivery Parcel; or
2. Elect to take advantage of the Agency Sale Arrangement which lets you sell the Delivery Parcel and receive the Sale Proceeds.

Once you accept delivery of the Delivery Parcel, or choose to sell the Delivery Parcel, you will no longer have exposure to the Reference Index. At Maturity, you will need to consider whether an investment in the Delivery Assets will be suitable for you. If you choose to accept delivery of the Delivery Assets, then you will hold that investment. If, at Maturity, you think this investment is not suitable, you can elect to use the Agency Sale Arrangement and sell the Delivery Parcel and receive the Sale Proceeds. If you do not choose to use the Agency Sale Arrangement physical delivery of the Delivery Parcel will occur.

Option 1 - Physical delivery of the Delivery Parcel

You do not need to do anything when you receive the Maturity Notice. By doing nothing, physical delivery will automatically occur.

UBSSAL or its nominee will purchase the Delivery Assets specified in the Delivery Parcel (less any Costs and Taxes) and register those Delivery Assets in your name on the Settlement Date in accordance with the Settlement details provided to UBSSAL.

If you are not CHESS sponsored or do not provide UBSSAL with your CHESS details, UBSSAL or its nominee will register the Delivery Assets as an issuer-sponsored holding in your name.

Market movements from the Maturity Date to the Settlement Date will affect the value of the Delivery Parcel. UBSSAL will transfer the Delivery Assets to you as soon as practicable but there is a risk that they may fall in value by the time they are transferred to you.

Option 2 - The Agency Sale Arrangement

To take advantage of the Agency Sale Arrangement to receive the Sale Proceeds of the Delivery Parcel on the Settlement Date, you must:

- Elect the Agency Sale Arrangement option in the Maturity Notice; and
- Return the Maturity Notice to UBSSAL at least 5 Business Days prior to the Maturity Date.

Under the Agency Sale Arrangement UBSSAL or one of its related entities will accept physical delivery of the Delivery Parcel on the Maturity Date on your behalf and will then sell the Delivery Parcel on your behalf. UBSSAL will pay to you the Sale Proceeds, which will equal the number of Delivery Assets sold multiplied by the Average Price less any Costs and Taxes. If, for any reason whatsoever, UBSSAL is unable to sell the relevant Delivery Parcel at the Average Price, UBSSAL will use reasonable endeavours to sell that relevant Delivery Parcel as soon as reasonably practicable, for the market price applicable at the time of sale. The Sale Proceeds will be transferred into your nominated Settlement Account or paid to you by cheque within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter.

Fractional Shares

If after aggregating all Delivery Assets transferable to you on the Settlement Date, the Delivery Parcel includes a fractional share of the Delivery Asset which is valued at more than A\$20.00, UBSSAL will transfer the relevant amount of dollars into your nominated Settlement Account or pay it to you by cheque within 10 Business Days after the Settlement Date or as soon as reasonably practicable thereafter. This amount is in effect a reimbursement of a portion of the Total Investment Amount. If the amount does not exceed A\$20.00, UBSSAL is under no obligation to the Investor to make any payment for the fractional share.

Section 7 – The Delivery Asset

The Delivery Assets are fully paid ordinary shares in BHP Billiton Limited listed on the ASX (ASX Code: BHP), or any other asset specified as the Delivery Asset in the Term Sheet.

BHP Billiton Limited (BHP) is a diversified natural resources company. The company has businesses producing alumina and aluminium, copper, energy (thermal) coal, iron ore, nickel, manganese, metallurgical coal, oil and gas and uranium, as well as gold, zinc, lead, silver and diamonds. The company operates in nine customer sector groups (CSGs): petroleum, aluminium, base metals, diamonds and speciality products, stainless steel materials, iron ore; manganese, metallurgical coal, and energy coal. Core activities comprise of production and distribution of minerals, mineral products and petroleum.

More information on BHP can be obtained from www.bhpbilliton.com.au. As BHP is listed on the ASX, information and announcements are also available from the ASX website (www.asx.com.au) and major newspapers and market information services.

The performance of Units is not directly affected by the performance of shares in BHP Billiton Limited up to the Settlement Date, but if you elect to hold the Delivery Assets after the Settlement Date, the value of those shares will be affected by the price of the shares as traded on ASX.

UBSSAL may in its reasonable opinion determine that if it is not possible or efficient to obtain or transfer one or more of the intended Delivery Assets (i.e. shares in BHP Billiton Limited), it must substitute the Delivery Assets for any other security quoted and trading on ASX (including any other security or fund or entity listed on ASX) and deliver that substituted asset as the Delivery Asset instead. This may occur, for example, where UBSSAL is unable to transfer the Delivery Assets due to legal or regulatory restrictions relating to the Delivery Assets (including a suspension from trading or quotation) or to UBSSAL itself (including as a result of internal restrictions designed to comply with any laws or regulations). It may also occur, for example, where the cost to transfer the Delivery Assets is prohibitively high.

As at the date of this PDS the Delivery Assets are expected to be the ordinary fully paid shares in BHP Billiton Limited, and all references to the Delivery Asset in this PDS are to those shares. However, you should be aware that UBSSAL can substitute the Delivery Asset, and you should take this into account when considering whether to invest in the Units. For further information about substitution of the Delivery Asset refer to "UBSSAL can substitute the proposed Delivery Assets" in Section 9 "Risk Factors" of this PDS.

Section 8 – After the Initial Offer Period

How can I monitor my investment?

UBSSAL will publish indicative bid prices for the Units periodically, by providing this information to certain market data service providers and Approved Advisers. You can request this information from your Approved Adviser, or refer to the market data service codes listed in the Term Sheet. These indicative bid prices can change at any time and as such, may differ from the actual price at which UBSSAL may buy back your Units.

UBSSAL, in its discretion, will determine its indicative bids for Units prior to Maturity having regard to a number of factors, as relevant to the particular Series, such as (but not limited to):

- level of the Reference Index;
- time to Maturity;
- prevailing Australian interest rates and the UBSSAL Credit Margin;
- distribution yield of securities that make up the Reference Index;
- volatility of the Reference Index; and
- whether a Barrier Event has occurred.

Buy back of Units by UBSSAL

While the Units are designed as a “buy and hold” investment, you will have the opportunity to request that UBSSAL purchase your Units.

If UBSSAL accepts your request, the price at which UBSSAL will buy back your Units is the “Buy-Back Price”. This price will vary during the Investment Term. The Buy-Back Price can be less than your Purchase Price and the Conditional Protection and Conditional Return and may be different to the Final Value per Unit if held to Maturity.

When determining the Buy Back Price UBSSAL will take into account the economic value that UBSSAL achieves on the unwinding of any securities or derivatives it has in place to hedge its exposure under the Units and on the quantum of any Break Costs. The economic value that it achieves will be reliant on several factors including but not limited to those in the table below. The actual size of the impact of these factors on the Buy-Back Price will vary and is not quantifiable at the time you acquire your Units, however the effect of those factors on the Buy-Back Price (assuming all other factors remain constant) can be summarised generally as follows:

Variable	Change in variable	Change in Unit value
Australian interest rates	↑	↓
UBSSAL Credit Margin	↑	↓
Reference Index Level	↑	↑
Reference Index volatility	↑	↓
Reference Index distribution yield	↑	↑
Remaining term to maturity	↑	↑
Occurrence of a Barrier Event	n/a	↓

Break Costs may arise in relation to Early Maturity or a UBSSAL Buy-Back. Break Costs are a component of the calculation of the Buy-Back Price or Early Maturity Value and are not a separate charge levied by UBSSAL. Break Costs include all costs, expenses and losses incurred by UBSSAL as a result of the determination of an Early Maturity Date, Buy-Back Date or other early termination, unwinding any hedge position entered into by UBSSAL in connection with the Units, taxes or fees paid that are non-recoverable, administrative cost of processing the early termination, or any loss of profits by reason of such an early termination. UBSSAL will provide you with an estimate of the Buy-Back Price if you request a UBSSAL Buy-

Back. That estimate will have already taken into account any Break Costs but you should note that the actual Buy-Back Price will only be confirmed when the UBSSAL Buy-Back is transacted and may be different to the estimate provided. Physical delivery of the Delivery Asset will not occur under a UBSSAL Buy Back. Instead, UBSSAL will cash settle, i.e. pay you the Buy-Back Price.

For example, say you have invested in 25,000 Units at \$1.00 per Unit. Three months later UBSSAL may quote you a Buy-Back Price (which depends on how the factors listed above have changed) of, say, \$0.95 per Unit. If the Buy-Back Price has not moved when the request is accepted and executed on the Buy-Back Date then you will receive a total of \$23,750 for your entire holding.

Execution of Investor sale requests and the actual Buy-Back Price will be notified to Investors by way of the Settlement Notice, which will be sent to Investors as soon as reasonably practicable after the relevant Buy-Back Date.

You should read clause 6.3 of the Deferred Purchase Agreement carefully to understand your rights and obligations if you request a UBSSAL Buy-Back.

You can make a UBSSAL Buy-Back request by filling out the Investor Sale Form attached to this PDS and lodging it with UBSSAL. Unless you are an Indirect Investor a UBSSAL Buy-Back can only be requested in respect of your entire parcel. Once the Investor Sale Form is lodged, the request for UBSSAL Buy-Back is irrevocable. UBSSAL may accept or reject a request to buy-back your Units. The Investor Sale Form must be lodged with UBSSAL by 5 pm (Sydney time) on a Business Day. If the date for the Buy-Back turns out to be a Disrupted Day due to certain Market Disruption Events then UBSSAL may in its discretion defer the execution of the UBSSAL Buy-Back to a later date. Please refer to the "How to Invest and Sell Back" section on page 70 for more details on how to sell your Units.

UBSSAL may publish the indicative buy-back Prices at any time and provide this information to certain market data service providers – please refer to the market data codes listed in the Term Sheet on page 27 of this PDS. Investors should note that these prices will be indicative only and may be higher or lower than the Buy-Back Price that you will actually receive when you sell your Units.

As the Units will not be listed or displayed on any securities exchange such as the ASX, there may be little or no secondary market for the Units. Even if a secondary market for the Units develops, it may not provide significant liquidity or trade at prices advantageous to you.

You should also note any Conditional Protection or minimum return amount will only apply if Units are held until Maturity and no Barrier Event, or Early Maturity or UBSSAL Buy-Back occurs, so you may receive a price that is significantly less than the Purchase Price of your Unit if you sell those Units to UBSSAL prior to the Maturity Date.

Further issue of Units during the General Offer Period

Investors can apply for Units during the General Offer Period which will open on the date specified on page 4 of this PDS. During the General Offer Period, the Purchase Price at which Investors can acquire Units will be determined by UBSSAL in its absolute discretion on the last Business Day of the week in which the Application is approved by UBSSAL (and may take into account an amount referable to the Approved Adviser Fee. This price can be different to the Issue Price of Units set out in the Term Sheet (it can be higher or lower), and it will vary over time. Investors should contact their Approved Adviser or UBSSAL to obtain an indication of the current applicable Purchase Price.

All Units on issue in a Series will be subject to the same Terms, e.g. same Conditional Return, same Final Value calculation and Maturity Date. However, the fact that an Investor may have paid something other than the Issue Price for a Unit means that the Final Value of the Unit may be different to their Purchase Price, which in turn means that the total amount invested may not be protected at the same level as if they had bought at the initial Issue Price. Please refer to the Risk Factors in Section 9 for more information.

Register

Ownership of Units is evidenced by your name or your investment entity's name being entered on the Register during the Investment Term. The Register will be maintained by UBSSAL or by the Registrar appointed by UBSSAL.

Certificates will not be issued to Investors. Notice of trusts will not be entered on the Register. Investors must notify UBSSAL of any change in their particulars entered on the Register. The Register can be closed for up to a total of 20 Business Days a year.

Section 9 – Risk Factors

This section describes the most significant risks relating to the Units. We urge you to read the following information about these risks, together with the other information in this PDS before investing in the Units.

Units are intended to be held until Maturity. Conditional Protection only applies if you hold the Units to Maturity (and subject to any Barrier Event occurring).

Conditional Protection and Barrier Event

On the Settlement Date, you will receive a Delivery Parcel the value of which is calculated by reference to the definition of Final Value in the Term Sheet on page 25. This will be at least equal to the Issue Price of \$1 per Unit plus the Conditional Return if you hold your Units until Maturity and a Barrier Event has not occurred. This provides protection against a fall in the value of the Reference Index down to (but not including) the Barrier Level. If a Barrier Event occurs you will not receive the benefit of Conditional Protection on any of your Units. Please note there is NO overall principal protection in this product. Hence you may lose all of your Total Investment Amount if a Barrier Event occurs. You will not receive any Delivery Assets if the Final Value is zero.

If you sell your Units back to UBSSAL prior to Maturity, or if there is an Early Maturity Event, you will not receive the benefit of Conditional Protection on the portion of your Units sold or subject to the Early Maturity. In this instance you may lose your entire Total Investment Amount.

Also note Investors who purchase Units in the General Offer Period at a Purchase Price greater than the Issue Price will receive a lower overall return, or make a greater loss, as the Conditional Return and exposure to the performance of the Reference Index are applied to the Issue Price and not the Investor's Purchase Price.

Barrier Event

If there is a Barrier Event specified in the Term Sheet, the occurrence of the specified event will mean that the return on your investment will be altered. You should ensure that you understand the Barrier Event specified in the Term Sheet (if any) and the potential effect it could have on your Purchase Price, including the loss of capital protection or minimum return, if those features are specified.

Performance Cap (Series 15)

Note that Series 15 has a cap on performance. This means that if the increase in the Reference Index over the Investment Term exceeds the Performance Cap, Series 15 will produce a return that is less than you may have achieved by investing directly in the securities that comprise the Reference Index.

Ability of UBSSAL to fulfil its obligations

UBSSAL and its affiliates have certain obligations under the Terms so the value of your Units may be affected by real or anticipated changes in UBSSAL's credit quality. You must make your own assessment of the ability of UBSSAL and its affiliates to meet their obligations and their general creditworthiness. You can assess UBSSAL's ability to meet its counterparty obligations by reviewing the financial information of UBSSAL. Please refer to the "Description of UBSSAL" section on page 39 for more detail and information on where to access the latest financial reports for UBSSAL.

Obligations created by the Units are unsecured contractual obligations of UBSSAL and will rank equally with UBSSAL's other unsecured obligations and debt other than liabilities mandatorily preferred by law. Obligations created by the Units do not constitute deposit obligations of UBSSAL. UBSSAL's obligations are not guaranteed by UBS AG or any other entity in the UBS group.

Under the terms of the Units, UBSSAL also has the right to transfer its rights and obligations under this PDS and the Terms (provided that the transfer is not unfair (as defined in Section 12BG of the ASIC Act)) so your credit exposure to the issuer of Units may change during the Investment Term.

Opportunity Cost

The Units are a speculative financial product and may produce a return that is less than that offered by other investments of the same Maturity. While UBSSAL may provide in the Term Sheet for a pre-defined level of capital protection or minimum return, the actual return on your investment could possibly be zero, or you may receive back an amount less than the Purchase Price. In addition, it is likely that it will not be the same return as that you would earn if you had invested directly in the securities that comprise the Reference Index or directly in the Delivery Assets where you may have received the distributions paid on the securities that comprise the Reference Index or Delivery Assets during the period.

Historical values of the Reference Index (or its components) should not be taken as an indication of the future performance of the Reference Index during the Investment Term

It is impossible to predict whether the value of the Reference Index will rise or fall. Trading prices of the securities that make up the Reference Index will be influenced by complex and interrelated political, economic, financial and other factors, including:

- General movements in local and international security and commodity markets;
- Prevailing economic conditions, including interest rates and inflation;
- Market perception of the prospects for the Relevant Exchanges;
- Profitability of the issuers of the securities which make up the Reference Index; and
- The distribution payment policy of each of the issuers of the securities that make up the Reference Index; and
- Changes in law affecting the market relevant to the securities that make up the Reference Index.

UBSSAL does not guarantee the performance of the Reference Index. Nothing in this PDS is a recommendation by UBSSAL concerning an investment in the Units, the Reference Index or the Delivery Assets.

You will not have any rights in or to the securities that make up the Reference Index, nor receive dividend or other distribution payments (whether in the nature of income or capital) in respect of securities that make up the Reference Index or have security holder rights in the securities that make up the Reference Index

You will not have any rights or interests in the securities that make up the Reference Index. The Issuer may enter into agreements or hold assets to hedge its obligations under the Units, however you will not have any rights or interests in or security over those assets or arrangements. You will not receive any dividend payments or other distributions paid in respect of the securities that make up the Reference Index. As an owner of Units, you will not have any voting rights or any other rights that holders of the securities that make up the Reference Index may have.

You will not receive dividend or other distribution payments on the Delivery Parcel or have security holder rights in the Delivery Assets that make up the Delivery Parcel

You will not receive any dividend payments or other distributions paid in respect of the Delivery Assets that make up the Delivery Parcel during the Investment Term. As an owner of Units, you will not have any voting rights or any other rights that holders of the units or other securities that make up the Delivery Parcel may have during the Investment Term, other than the right to receive a Delivery Parcel on the Settlement Date.

There may not be an active trading market in the Units – sales made in the secondary market may result in significant losses

There may be little or no secondary market for the Units. The Units will not be listed or displayed on any securities exchange such as the ASX. UBSSAL intends to offer to buy back Units daily at prices set by UBSSAL, although UBSSAL is not required to do so and may stop offering to buy back the Units at any time

without notice. Even if a secondary market for the Units develops, it may not provide significant liquidity or trade at prices advantageous to you. Buy-back requests are irrevocable and UBSSAL might not accept a request immediately but hold it over. This may delay the processing of an Investor's buy-back request and may impact the Buy-Back Price an Investor receives. The Buy-Back Price will be net of any related Costs and Taxes, Break Costs, administrative costs and costs of unwinding any hedge incurred by UBSSAL on the UBSSAL Buy-Back. The Buy-Back Price may be less than the Purchase Price and may also be different to the Final Value that you will receive if Units are held to Maturity.

As a result, if you sell your Units before Maturity, you may have to do so at a discount from the Purchase Price and you may suffer losses.

The market value of the Units may be influenced by unpredictable factors

The market value of the Units may fluctuate between the Issue Date and the Maturity Date. The level of the Reference Index can go down as well as up and the Reference Index Return can be zero or negative which means the Final Value of your Units will be zero. The value of the Units will fall (i.e. decay) due to the passing of time, even if the Reference Index, index volatility, interest rates and dividend yields remain unchanged. The loss in value of the Units will be sustained even if you sell Units back to UBSSAL.

Several factors, many of which are beyond UBSSAL's control, will influence the market value of the Units. We expect that generally the level of the Reference Index, the volatility of the Reference Index (i.e. the frequency and magnitude of changes in the level of the Reference Index), Australian interest rates and the UBSSAL Credit Margin on any day will affect the market value of the Units more than any other factors. Other factors that may influence the market value of the Units include:

- The volatility of the Reference Index (i.e., the frequency and magnitude of changes in the level of the Reference Index);
- The market price of the securities that make up the Reference Index;
- The dividend rate paid on the securities that make up the Reference Index;
- The time remaining to the Maturity of the Units;
- Whether a Barrier Event has occurred;
- Supply and demand for the Units;
- Economic, financial, political, regulatory, or judicial events that affect the level of the Reference Index or the market price of the securities that make up the Reference Index or that affect stock markets generally; or
- The creditworthiness of UBSSAL and its ultimate parent, UBS AG (which can influence the UBSSAL Credit Margin).

Whilst the table on page 31 is intended to show the general impact of various pricing factors on the value of Units, those factors can affect the value of Units simultaneously and their effect can be compounding or offsetting. The impact of a combination of changes in these factors cannot be predicted with certainty at the time of investment.

Potential Conflicts of Interest

UBSSAL and its affiliates may conduct transactions as principal or agent in various securities including the Delivery Asset and those that make up the Reference Index. These trading activities may affect (positively or negatively) the value, or liquidity of the Delivery Asset or the securities that make up the Reference Index, and may therefore affect the return on your investment.

Under the Terms of the Deferred Purchase Agreement, UBSSAL has powers to make adjustments to the Terms of the Units, including the termination of the Units pursuant to an Early Maturity Event, which may or may not depend on UBSSAL's determination as to whether it would incur a materially increased cost to maintain or unwind its hedge positions or is unable to maintain or unwind its hedging positions. Since any adjustments made by UBSSAL to the Terms of the Units may affect the market value of the Units UBSSAL may have a conflict of interest if it needs to make any such determinations.

UBSSAL can substitute the proposed Delivery Asset

UBSSAL may determine that if it is not possible or efficient to obtain or transfer the intended Delivery Asset (i.e. ordinary fully paid shares of BHP Billiton Limited), it may substitute the Delivery Assets for any other security quoted and trading on ASX (including any other security or fund or entity listed on ASX) that is included in the S&P/ASX200 Index, and deliver that substituted asset instead. Refer to clause 5.7 of the Terms of the Deferred Purchase Agreement in Section 13 of this PDS for information about substitution of Delivery Assets.

In addition, if you elect to use the Agency Sale Arrangement, UBSSAL and its nominees will use their best endeavours to sell the relevant Delivery Parcel at the Average Price, however, if they are unable to do so then UBSSAL and its nominees will sell the Delivery Asset as soon as reasonably practicable for the market price applicable at the time of sale. If the market value of the Delivery Parcel has fluctuated then the amount you receive per Delivery Asset may be less than the Average Price.

UBSSAL can make adjustments to the Terms due to Adjustment Events, including setting an Early Maturity Date

UBSSAL may make adjustments to the Terms of the Units due to Adjustment Events such as (but not limited to) mergers and disposals, price source disruption, trading suspension, material change in the calculation and/or composition of the Reference Index, the securities that make up the Reference Index or the Delivery Asset and changes in the Corporations Act or taxation laws as set out in the Terms. The adjustments made by UBSSAL may, in turn, depend on any adjustments made to UBSSAL' hedge positions. Please refer to clause 6.1 of the Terms of the Deferred Purchase Agreement in Section 11 of this PDS for the types of adjustments that UBSSAL can make. Since these determinations by UBSSAL may affect the market value of the Units, UBSSAL may have a conflict of interest if it needs to make any such decision.

UBSSAL has the discretion to nominate an Early Maturity Event on the occurrence of certain events. You will be given 20 days' notice of any proposed Early Maturity unless it is otherwise impracticable to do so.

UBSSAL is only obliged to provide the Conditional Protection or Conditional Return for investments held for the full Investment Term of the Units (and provided a Barrier Event does not occur). Prior to Maturity the fair economic value of the Units or the Refund (as determined by UBSSAL) will be based on various market factors, such as Reference Index Return, whether a Barrier Event has occurred, interest rates, volatility and time remaining to the Maturity Date. This may result in the value of the Units being less than the Purchase Price in instances where Early Maturity applies. In determining the fair economic value or the Refund UBSSAL may deduct Break Costs in relation to any Early Maturity. Break Costs include all costs, expenses and losses incurred by UBSSAL as a result of the determination of an Early Maturity Date, Buy-Back Date or other early termination, unwinding of any hedge position entered into by UBSSAL in connection with the Units, or any loss of profits by reason of such an early termination. You should be aware that Break Costs could be significant and may not be in your favour.

Investors should read clauses 6 and 7 in the "Terms of the Deferred Purchase Agreement" section to fully understand their rights and obligations if an Adjustment Event or an Early Maturity Event occurs.

UBSSAL can postpone the determination of the Reference Index Return or the Maturity Date, or any other calculation or determination if a Market Disruption Event occurs (or continues to occur)

The determination of the Reference Index Return or a calculation or determination (including whether a Barrier Event has occurred) may be postponed if UBSSAL determines that a Market Disruption Event has occurred or is continuing on the date on which the calculation or determination is to be made, including the Final Maturity Date. The determination made by UBSSAL may or may not depend on UBSSAL' judgment whether the event has materially interfered with UBSSAL' ability to unwind its hedge positions. Since these determinations by UBSSAL may affect the market value of the Units, UBSSAL may have a conflict of interest if it needs to make any such decision.

If such a postponement occurs, then the date for the calculation or determination will be the first Trading Day after that day on which no Market Disruption Event occurs or is continuing. In no event, however, will the date for the calculation or determination or the Maturity Date for the Units be postponed by more than eight Trading Days. If the date for the calculation or determination or the Maturity Date is postponed to the

last possible day, but a Market Disruption Event occurs or is continuing on such last possible day, then that eighth day will nevertheless be the Maturity Date or the relevant date for the determination or calculation. If a Market Disruption Event is occurring on the last possible date for the calculation or determination or the Maturity Date, UBSSAL will make a good faith estimate in its absolute discretion of the observation to be reached for the calculation or determination that would have prevailed on the original date or Maturity Date but for the Market Disruption Event.

Investors should read clause 7.2 in the “Terms of the Deferred Purchase Agreement” section to fully understand their rights and obligations if a Market Disruption Event occurs.

Tax and Regulatory Risk

The expected tax implications of entering into the investment may change as a result of changes in the taxation laws and interpretation of them, for example, if the ATO changes its views in relation to the tax treatment of deferred purchase agreements, as currently set out in Taxation Determinations TD 2008/21 and TD 2008/22. The Taxation Determinations are discussed in greater detail in the Taxation Summary in Section 11 of this PDS. All Investors should seek independent tax advice as to the possible impact of these matters in light of their own personal circumstances.

The offer of Units and investment in Units are subject to various laws and regulations which may change during the Investment Term. As an example, a change of law may result in UBSSAL not being able to transfer a particular Delivery Asset to you which can then lead to a substitution of the Delivery Asset. The impact of tax risk and regulatory risk cannot be ascertained with certainty at the time of investment.

UBSSAL is not endorsing an investment in the Reference Index or the Delivery Assets

UBSSAL has not reviewed or analysed the Reference Index nor the Delivery Assets to determine whether they are a suitable investment for you. You should seek independent advice on this matter and note that UBSSAL does not guarantee the performance of the Reference Index or the Delivery Assets. UBSSAL does not have control over the calculation of the Reference Index and nothing in this PDS or marketing material published by UBSSAL should be construed as an investment recommendation by UBSSAL or any of its affiliates.

Reference Index rebalancing risk

The Reference Index Provider may adjust the composition of the Index from time to time. This may have an impact on the performance of the Reference Index and consequently the value of your Units. You can obtain information on the Reference Index by visiting the website for the Index Provider (please refer to Section 2).

Section 10 - Description of UBSSAL

The information set out below is intended to be a brief summary only of UBSSAL. Investors must make their own assessment of the ability of UBSSAL to meet its obligations in relation to the Units. Nothing in this PDS is, or may be relied upon as, a representation as to any future event or a promise as to the future.

UBSSAL is an Australian Financial Services Licensee under the Corporations Act (Licence No. 231098). It is a participating organisation of ASX Limited ("ASX"), a participant of Australian Clearing House Pty Limited (the clearing and settlement facility for the derivatives markets operated by ASX) and a participant of CHES (the clearing and settlement facility operated by ASX Settlement and Transfer Corporation Pty Ltd).

UBSSAL will provide a copy, free of charge, of its latest available annual financial report to any person who requests such copies during the life of this PDS, by contacting UBSSAL on 1800 633 100.

UBSSAL's latest available annual financial report can also be downloaded from www.ubs.com/equitysolutions.

UBSSAL is a wholly owned and non guaranteed subsidiary of UBS AG. UBS AG was formed on 29 June 1998 from the merger of Swiss Bank Corporation and Union Bank of Switzerland. UBS AG, with its subsidiaries, is a client-focused financial services firm that offers a combination of wealth management, asset management and investment banking services on a global and regional basis. By delivering a full range of advice, products and services to its private, corporate and institutional clients, UBS aims to generate sustainable earnings, create value for its shareholders and become economically profitable in every segment, market and business in which it operates. Securities in UBS AG are listed on the New York Stock Exchange and the SIX Swiss Exchange. More information on UBS AG can be obtained from www.ubs.com

UBSSAL's obligations are not guaranteed by UBS AG or any other entity in the UBS group.

Section 11 - Taxation Summary

This summary of Australian tax implications has been prepared by Clayton Utz for the purposes of inclusion in this PDS and any opinions expressed in this tax summary are those of Clayton Utz and not UBSSAL.

The discussion contained in this summary outlines the main Australian income tax, GST and stamp duty implications for Australian resident Investors who acquire their Units otherwise than in the course of carrying on a business and hold them on capital account and is subject to the assumptions outlined below. This summary is of a general nature only and does not take into account the specific circumstances of any Investor. This summary does not address the taxation implications for other Investors or Investors in circumstances where the assumptions below do not apply. The taxation consequences for such Investors or in such circumstances may be different to the taxation consequences outlined below.

Taxation laws, their interpretation, and relevant administrative practices may change over the term of an investment in the Units.

Each Investor must take full and sole responsibility for their own investment in Units, the associated taxation implications arising from that investment and any changes in those taxation implications during the course of that investment.

This discussion is provided only for the benefit of UBSSAL. The information in this summary does not purport to constitute legal or tax advice. As the taxation implications for each potential Investor may be different, each prospective Investor should obtain their own independent professional taxation advice on the full range of taxation implications applicable to their own individual facts and circumstances.

Assumptions

This summary of the taxation implications for an Investor in Units, assumes that:

- the Investor will hold the Units and Delivery Parcel on capital account and will not be a person who is carrying on a business of either trading in securities or investing in securities in the course of which they regularly acquire and dispose of securities;
- the Investor will be an Australian resident for Australian tax purposes at all times;
- the Investor will not be an Indirect Investor;
- the market value of the Beneficial Interest in the Portion of the Delivery Assets will not change from the Issue Date to the Maturity Date;
- the Delivery Assets will be denominated in A\$ and will not be shares in a foreign company or units in a foreign trust;
- at all times during the term of the investment in Units, BHP Billiton Limited will be an Australian resident for tax purposes and will be managed and controlled in Australia;
- the Units will be denominated in A\$;
- neither the Reference Index nor any Delivery Asset will be equity interests in UBSSAL or an entity that is a connected entity of UBSSAL;
- there is nothing in the circumstances of the transaction, or in the way it is implemented, that would indicate at commencement of an investment that an Investor would elect to request a buy back of their Units or utilise the Agency Sale Arrangement at Maturity, and there is nothing in the conduct of an Investor prior to or during their holding period of the Units, that would indicate such an intention;
- the Investor does not enter into a Unit in substitution for an economically equivalent investment that they would otherwise be expected to enter into; and

- the Delivery Assets in each Delivery Parcel (the Delivery Assets, being ordinary fully paid shares in BHP Billiton Limited) does not represent 90% or more of the issued capital of BHP Billiton Limited.

This summary is based on Australian taxation laws in force and administrative practices generally accepted as at the date of this PDS. Any of these may change in future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated. Future changes in taxation laws, their interpretation or associated administrative practices could affect the treatment of the Investors investment in Units. All references in this summary to legislative provisions are to provisions of the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (together, the **Tax Act**).

Australian Resident Investors:

1. Acquisition of Units

Each Unit is an agreement between the Investor and UBSSAL for the purchase of the Delivery Parcel on a deferred basis. The Units (and in particular the Investor's rights in respect of each Unit, including the right to receive delivery of the Delivery Parcel) will be capital gains tax assets (**CGT assets**) of the Investor for tax purposes. There should be no taxing event for an Investor at the time of acquiring Units.

2. Delivery of the Delivery Parcel

Under the ATO's approach in relation to the taxation of deferred purchase agreements, as outlined in Taxation Determination TD 2008/22, a capital gains tax event (**CGT event**) "C2" occurs upon delivery of the Delivery Parcel to the Investor in respect of the CGT assets comprised by the Investor's rights under the Units. This approach would apply whether delivery occurs by way of physical delivery to the Investor or by delivery to UBSSAL or its nominee on behalf of the Investor (that is, where the Agency Sale Arrangement is utilised). Under this approach, the Investor is regarded as deriving a capital gain or incurring a capital loss on the happening of this CGT event, equal to the difference between the value of the Delivery Parcel at the time of delivery and the Investor's cost base or reduced cost base (respectively) in the Units. The Investor's cost base and reduced cost base will include the Total Investment Amount (less any reimbursement referable to a fractional unit, plus any incidental costs).

Investors should be aware that where an Investor acquires a Unit in the course of carrying on a business or as part of a business operation or commercial transaction with a purpose of profit-making, the ATO may seek to treat any gain in respect of the Investor's Unit upon delivery of the Delivery Parcel as being on revenue account. Acquiring a Unit with the intention of disposing of the Delivery Parcel immediately upon Maturity, e.g. through the Agency Sale Arrangement, may be viewed as evidence of a profit-making purpose. Any such gain will be assessable to the Investor as income under either section 6-5 or 15-15 of the Tax Act, rather than as a capital gain (such that discount CGT treatment (as discussed below) will not apply).

On delivery of the Delivery Parcel, the Investor will also acquire other CGT assets, being the Delivery Assets comprising the Delivery Parcel.

Please note that the discussion in this paragraph 2 is subject to the discussion in paragraph 7 ("Qualifying Securities and Traditional Securities") and paragraph 9 ("Taxation of Financial Arrangements (TOFA)") below.

3. Sale of the Delivery Parcel

When the Investor sells the Delivery Assets comprising the Delivery Parcel, including where the Investor uses the Agency Sale Arrangement, a CGT event "A1" will occur and the Investor will realise a capital gain or capital loss equal to the difference between the Investor's capital proceeds and the cost base or reduced cost base of the Delivery Assets comprising the Delivery Parcel.

Under the ATO's approach in TD 2008/22, the ATO should treat the Investor's cost base and reduced cost base in the Delivery Assets comprising the Delivery Parcel as being equal to the market value of the Delivery Assets at the time of delivery.

The capital proceeds will include the amount received by the Investor on the sale of the Delivery Assets comprising the Delivery Parcel.

Where the Investor uses the Agency Sale Arrangement, the Investor's capital proceeds will include the Sale Proceeds obtained by UBSSAL on behalf of the Investor. In this circumstance, as the sale of the Delivery Assets under the Agency Sale Arrangement is likely to occur on, or very soon after, the date of delivery, we would expect those Sale Proceeds to closely reflect the market value of the Delivery Assets at the date of delivery. Since the ATO should treat the Investor's cost base in the Delivery Assets as being equal to this market value amount, any capital gain or loss arising should be relatively minimal.

4. Beneficial Interest

At the time of acquisition of Units the Investor will also acquire a Beneficial Interest in a Portion of the Delivery Assets. This will also be a CGT asset of the Investor. The Investor's cost base in this asset will include any part of the Total Investment Amount applied toward the acquisition of the Beneficial Interest.

On the Maturity Date, the Investor will dispose of the Beneficial Interest. No capital gain or loss should arise in respect of this Beneficial Interest where its market value has not changed since the time of entry into the Units (as has been assumed).

5. Buy-Back of Units

Where the Investor wishes to exit their investment prior to Maturity and requests a buy-back of the Units (including the Beneficial Interest), the Investor will realise a capital gain to the extent that the capital proceeds received in respect of the event exceed its cost base in the Units (including the Beneficial Interest). A capital loss will arise to the extent that the Investor's capital proceeds are less than its reduced cost base in the Units (including the Beneficial Interest).

The Investor's cost base in the Units will include the Total Investment Amount paid by the Investor to acquire the Units (including the Beneficial Interest), and the capital proceeds will include the total amount received by the Investor as a result of the buy back.

6. Discount CGT treatment

Investors who are individuals, complying superannuation funds or trusts may be entitled to discount CGT treatment on any of the capital gains discussed above (e.g. from the satisfaction of their rights under the Unit by way of delivery of the Delivery Assets, the disposal of the Delivery Assets or any disposal of their Units (including the Beneficial Interest)) where the Investor has held the relevant asset for at least 12 months prior to the disposal (excluding the acquisition and disposal dates). For individuals and trusts, the discount rate is currently 50%. For complying superannuation entities, the discount rate is currently 33 1/3%.

The Investor's acquisition date for the Units (including the Beneficial Interest) should be the date the Investor entered into the Deferred Purchase Agreement (that is, either the Issue Date or the date of the contract for the transfer of the Units to the Investor). Accordingly, under the ATO's approach in TD 2008/22, Investors may be entitled to discount CGT treatment provided they acquired the Unit at least 12 months prior to the date of satisfaction of their rights under the Unit by delivery of the Delivery Parcel or the date of disposal of the Units (as appropriate) (excluding the acquisition and disposal dates).

Under the ATO's approach in TD 2008/22, the Investor's acquisition date for the Delivery Assets comprising the Delivery Parcel should be the date of delivery. Accordingly, Investors should be entitled to discount CGT treatment where they dispose of the Delivery Assets at least 12 months after the date of delivery (excluding the delivery and disposal dates).

7. Qualifying Securities and Traditional Securities

Under current income tax laws, returns on "qualifying securities" may be taxable on an accruals basis over the term of that security. Securities that are not "qualifying securities" may be "traditional securities" for income tax purposes, with any gains or losses on the disposal of that security taxable on revenue account.

These rules take precedence over the capital gains tax regime, such that discount CGT treatment (as discussed above) would not be capable of applying to any gain upon delivery of the Delivery Assets.

In Taxation Determination TD 2008/21, the ATO has confirmed that a deferred purchase agreement with the features described in TD 2008/21 (which include capital guarantee features and rights to receive coupons during the investment period) will generally not have sufficient "debt-like" characteristics to satisfy the definition of a "security" in section 159GP(1) of the Tax Act.

Investors should be aware however that the Conditional Protection and Conditional Return features of the Units may indicate that the Units have more "debt-like" characteristics than the deferred purchase agreements considered by the ATO, since in the absence of a Barrier Event, the Final Value will be at least equal to $\$1 \times (1 + \text{Conditional Return})$.

However, the Units also contain significant non "debt-like" features, including the fact that the Conditional Return does not apply where the Reference Index falls to the Barrier Level, and that the Final Value will include the Reference Index Return where this exceeds the Conditional Return (subject to a cap for Series 15). UBSSAL has instructed us that, in their view, there is a reasonable probability of a Barrier Event occurring. UBSSAL has also instructed us that the Units are issued as an equity proxy investment that is designed to substantially replicate direct exposure to the Reference Index, but with a reduced risk profile to suit more conservative Investors. The reduced risk profile remains in place until a Barrier Event occurs, whereupon the Investor will be fully exposed to gains (subject to a cap for Series 15) and losses on the Reference Index. Further, the adverse consequences of a Barrier Event occurring are significant in that the Investor will be fully exposed to the Reference Index at a time when it is down 30% from its starting level. This potential risk of loss for the Investor, combined with the substantial upside to which the Investor may be entitled, makes the Units a highly equity-like investment. As at the issue date, UBSSAL expects the value of the Units will be highly sensitive to changes in the value of the Reference Index (i.e. the PERLES+ Units will have a high delta in relation to the Reference Index). Note however that this sensitivity will change over time and can fluctuate significantly depending on where the Reference Index is relative to the Barrier Level and the remaining time to maturity, amongst other things.

Taking these features into account, the Units appear to have sufficient non-debt characteristics so as not to be "securities" as defined. We note however that this test of "debt-like" characteristics appearing in TD 2008/21 has not yet been tested. As a result, it cannot be known at this time whether or not the ATO would apply the same reasoning or draw the same conclusions. Accordingly, there is a risk that the ATO may form the view that on balance, the Units exhibit more debt-like features (as opposed to equity-like features) and as such, may seek to treat any gain on the Units as assessable income (and not as a capital gain). Further, in these circumstances, the ATO may also seek to apply the TOFA rules to the Investor (these are discussed further in paragraph 9 below).

8. Interest costs

An Investor holding Units on capital account will not derive any amounts of assessable income (other than net capital gains) from the Units. As a result, interest costs incurred by the Investor in respect of money borrowed to acquire Units should not be allowable deductions for income tax purposes. Each Investor should obtain their own independent advice as to the taxation implications arising from the incurrence of such expenses.

9. Taxation of Financial Arrangements (TOFA)

The TOFA regime in Division 230 applies to tax gains from some financial arrangements on a revenue basis and, where a gain from the arrangement is sufficiently certain at commencement to arise, or becomes sufficiently certain during the term to arise, on an accruals basis over the term of the arrangement. Where a gain from such a financial arrangement is not, and does not become, sufficiently certain to arise prior to the time that it is to be realised, the gain will be taxed on a realisation basis. Alternatively, the TOFA rules provide for certain taxpayers to elect to apply one of a number of alternative methods for the purpose of calculating gains and losses from financial arrangements.

For the purposes of the TOFA provisions, each Unit may constitute a financial arrangement.

The TOFA rules set out a number of exceptions to the application of the rules. Relevantly, these include financial arrangements that are not "qualifying securities", and which are held by:

- individuals;
- superannuation funds or managed investment schemes whose total assets are less than \$100 million; or
- other types of (non-financial) entities whose annual turnover is less than \$100 million, whose financial assets are less than \$100 million and whose total assets are less than \$300 million.

As discussed above, the Units appear to have sufficient non-debt characteristics so as not to be "securities", or "qualifying securities" as defined. As a result, an Investor who is an individual or satisfies the thresholds above should qualify for this exemption, unless the Investor elects for the rules to apply. However, as noted in the discussion under the heading "Qualifying Securities and Traditional Securities" above, there is a risk that the ATO may form the view that on balance, the Units exhibit more debt-like features (as opposed to equity-like features) and as such, may seek to treat the Units as securities for tax purposes. In these circumstances, the exemption will not be available and the ATO may seek to apply the TOFA rules to the Investor.

All Investors should obtain independent taxation advice as to the application of the TOFA provisions and its implications for the taxation treatment of an investment in Units.

Part IVA

Part IVA is a general anti-avoidance provision which applies where the dominant purpose of a taxpayer (or any other person) in entering into a "scheme" is to obtain a "tax benefit".

Whilst the application of Part IVA can only be conclusively determined on an examination of an Investor's individual circumstances, Part IVA should not apply to a typical Investor acquiring Units. This conclusion relies upon the correctness of the assumptions outlined above in relation to a typical Investor. Investors should however obtain their own independent advice on the application of Part IVA in their own particular circumstances.

GST

The A New Tax System (Goods and Services Tax) Act 1999 (**GST Act**) and related legislation impose a goods and services tax (**GST**) on certain "supplies". GST is payable on "taxable supplies". However, GST is not payable on supplies that fall within a category of "input taxed" or "GST-free" supplies. The A New Tax System (Goods and Services Tax) Regulations 1999 identify a range of "financial supplies" that are input taxed.

The acquisition of Units by the Investor, the delivery of the Delivery Parcel (consisting of the Delivery Assets) on Maturity, the sale of the Delivery Assets by the Investor, and the buy back of Units will not give rise to a liability to pay GST under the current GST law.

However, if GST were to become payable by UBSSAL or any other person in connection with the purchase, sale or transfer of a Unit, a Delivery Asset, or rights, or any other supply made under or in connection with the Terms of the Units then UBSSAL would be entitled to recover an additional amount on account of GST from the Investor. For example, in the event that UBSSAL charges a fee for its services under the Agency Sale Arrangement (see Section 6 - "What happens at Maturity?" in this PDS), it is expected that GST would be payable in which case the relevant fee charged by UBSSAL would include an additional amount on account of GST. In such a case, the amount of the Sale Proceeds may be reduced.

UBSSAL may be restricted in its ability to claim input tax credits for certain acquisitions that it makes. In the event that UBSSAL is precluded from claiming a full input tax credit for an acquisition, UBSSAL would be entitled to pass on the whole of its cost to the Investor, taking into account any input tax credits that are not available. In such a case, the value of the Units held by an Investor may be reduced.

Stamp duty

Under current laws, the acquisition of Units by the Investor, the delivery of the Delivery Parcel (consisting of the Delivery Assets) on Maturity or Early Maturity (if applicable), the sale of the Delivery Assets by the Investor (including where the Investor uses the Agency Sale Arrangement on Maturity or Early Maturity), and the buy back of Units by UBSSAL will not be liable to duty provided that the Delivery Assets satisfy the requirements of the exemption from transfer or conveyance duty for quoted or listed securities under applicable stamp duty laws at the time of the acquisition, delivery, sale or buy back as relevant.

If stamp duty becomes payable by UBSSAL or any other person in connection with the purchase, sale or transfer of a Delivery Asset or in connection with the Terms of the Units, then UBSSAL can require an Investor to pay such stamp duty.

Other events and circumstances

There may be other events or circumstances affecting an investment in the Units and the Delivery Assets that give rise to tax implications for Investors that are not discussed in this summary. Investors should seek their own independent advice in relation to such other events or circumstances.

Section 12 – Additional information

Preparation of this PDS

Information in this PDS in respect of the Reference Index and Delivery Assets has been derived from publicly available information only and has not been independently verified. Neither UBSSAL nor any of its affiliates accepts any liability or responsibility for, and makes no representation or warranty, express or implied, as to the adequacy, accuracy or completeness of such information. You should make your own enquiries.

You should also note that no person is authorised by UBSSAL to give any information to Investors or to make any representation not contained in this PDS.

Nothing contained in this PDS is to be relied upon as implying that there has been no change in the information contained in this PDS since the dates as at which information is given in this document. No representation as to future performance of the Reference Index, the Delivery Assets or as to the future performance of assets, dividends or other distributions of any issuer whose securities comprise the Reference Index or Delivery Assets are made in this PDS or in any offer or invitation to subscribe for, sell or issue Units. UBSSAL do not take into account labour standards or environmental, social or ethical considerations.

Obligations of UBSSAL

The Units will constitute direct unconditional obligations of UBSSAL. The obligations are unsecured contractual obligations which will rank equally with other unsecured contractual obligations and unsecured debt. Information in relation to UBSSAL is set out in the section entitled "Description of UBSSAL" on page 39.

UBSSAL reserves the right to buy back Units that have been issued. UBSSAL may cancel at its option the Units bought back.

Applications can be lodged at any time during the Initial Offer Period or General Offer Period for the Units, subject to the right of UBSSAL to close either at an earlier date without prior notice. No cooling off rights apply in respect of a purchase of the Units

Indirect investors

Investors and potential investors accessing the Units through an investor directed portfolio service (IDPS) or IDPS-like service (commonly a master trust or wrap account) or a nominee or custody service (service) with whom UBSSAL has an agreement, may use this PDS.

Such "Indirect Investors" do not become Investors or acquire the rights of an Investor. The operator of that service acquires those rights and can exercise them, or decline to exercise them, on behalf of Indirect Investors.

Indirect Investors do not receive payments or communications directly from the UBSSAL. The IDPS provider will lodge an Application Form, any UBSSAL Buy-Back requests and any Agency Sale Arrangement requests on their behalf. Indirect Investors therefore do not have to complete the Application Form in this PDS. When cash or shares are transferred to the IDPS provider the settlement times for payment or delivery to indirect Investors will depend on the withdrawal times of the IDPS service. Indirect Investors should seek appropriate tax advice.

If an Indirect Investor requests a transfer of Units to be registered in their own name then they must provide such client vetting and account opening information as requested by UBSSAL. UBSSAL has discretion in rejecting such a transfer request if it is not able to successfully complete its account opening process.

Complaints

If you have a complaint about the service provided to you by UBSSAL, or any of its representatives in respect of the Units, you should take the following steps.

- (a) Contact the UBSSAL representative with whom you have been dealing and tell that person about your complaint.
- (b) If your complaint is not satisfactorily resolved within 3 Business Days, please contact our Regional Manager in your State or put your complaint in writing and send it to us at the following address:

The Complaints Officer
c/- Legal & Compliance Department
UBS Securities Australia Limited
Level 16, Chifley Tower
2 Chifley Square
Sydney NSW 2000

We will try to resolve your complaint quickly and fairly.

If the outcome is unsatisfactory, Investors may refer their complaint to the Financial Ombudsman Services ("FOS") at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Toll Free: 1300 780 808
Fax: (03) 9613 6399
Email: info@fos.org.au

FOS is an independent dispute resolution scheme. Subject to FOS rules, a claim must be under AUD150,000 (or AUD500,000 from 1 January 2010) for FOS to consider it (unless UBSSAL and the Investor agree otherwise in writing).

The Australian Securities & Investments Commission (ASIC) also has a free call Infoline on 1300 300 630 (available between 9am and 7pm AEST Monday to Friday) which you may use to make a complaint and obtain information about your rights.

If you are investing through an IDPS or IDPS-like service, then enquiries and complaints should be directed to the operator of that service.

Consents

None of the parties referred to below have authorised or caused the issue of this PDS or make or purport to make any statement in this PDS (or any statement on which a statement in this PDS is based) other than as specified below.

Baker & McKenzie, solicitors, has given, and not withdrawn, its written consent to being named as having acted as solicitors to UBSSAL in connection with the issue of the Units pursuant to this PDS. It has in that capacity, prepared the terms of the Deferred Purchase Agreement. Otherwise, Baker & McKenzie does not make any statement in, or take responsibility for any part of, this PDS nor does any statement herein purport to be based on a statement made by Baker & McKenzie except for the Terms of the Deferred Purchase Agreement.

Clayton Utz, solicitors, has given, and not withdrawn, its written consent to being named as having acted as solicitors to UBSSAL in connection with taxation issues associated with the issue of the Units pursuant to this PDS. Clayton Utz, does not make any statement in, or take responsibility for any part of, this PDS, except for the section entitled "Taxation Summary".

Privacy Policy

Should you apply for Units by lodging an Application Form with your Approved Adviser, you acknowledge and agree that:

- (a) UBSSAL and your Approved Adviser collect your personal information for the purpose of processing your Application, issuing the Units, managing your investment and complying with relevant laws. If you do not provide the personal information UBSSAL or your Approved Adviser requires, your Application may not be processed; and

- (b) UBSSAL or your Approved Adviser may be required to disclose all or some of your personal information to:
- (i) related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration;
 - (ii) share registries, custodians, external contractors and service providers and certain software providers (in each case both onshore and offshore) related to the operational management, administration and settlement of the Units;
 - (iii) other third parties for the purpose of account maintenance and administration, marketing research or acquiring any interest in any part of the business of your Approved Adviser; and
 - (iv) regulatory authorities such as the ASX.

All personal information collected from you will be collected, used and stored by UBSSAL in accordance with the UBSSAL Privacy Policy, a copy of which can be made available to you on request. To obtain a copy, please contact UBSSAL on 1800 633 100.

All personal information collected from you will be collected, used and stored by your Approved Adviser. Please contact your Approved Adviser for a copy of its privacy policy.

You can access the personal information UBSSAL or your Approved Adviser holds about you. UBSSAL or your Approved Adviser and/or its associates may wish to communicate with you in the future about other investment opportunities which may be of interest to you. If you do not wish to be contacted for these purposes, please indicate so on the Application Form or contact UBSSAL or your Approved Adviser (as appropriate).

Financial Services Guide

The financial services guide of UBS Securities Australia Limited, which contain information about the services provided by that entity if it acts as ASX broker in relation to the Agency Sale Arrangement is available from www.ubs.com/equitysolutions or by contacting UBSSAL on 1800 633 100. You should read and ensure you fully understand the financial services guide of UBS Securities Australia Limited before investing in the Units.

Direct Debit Request Service Agreement

Definitions

account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between you and us.

banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

debit day means the day that payment by you to us is due.

debit payment means a particular transaction where a debit is made.

direct debit request means the Direct Debit Request between us and you.

us or **we** means UBS Securities Australia Limited, the Debit User you have authorised by signing a direct debit request.

you means the customer who signed the direct debit request.

your financial institution is the financial institution where you hold the account that you have authorised us to arrange to debit.

1. Debiting your account

- 1.1** By signing a direct debit request, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between us and you.
- 1.2** We will only arrange for funds to be debited from your account as authorised in the direct debit request.
- 1.3** If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day.

If you are unsure about which day your account has or will be debited you should ask your financial institution.

2. Changes by us

- 2.1** We may vary any details of this agreement or a direct debit request at any time by giving you at least fourteen (14) days' written notice.

3. Changes by you

- 3.1** Subject to 3.2 and 3.3, you may change the arrangements under a direct debit request by contacting us on 1800 633 100.
- 3.2** If you wish to stop or defer a debit payment you must notify us in writing at least fourteen (14) days before the next debit day. This notice should be given to us in the first instance.
- 3.3** You may also cancel your authority for us to debit your account at any time by giving us fourteen (14) days notice in writing before the next debit day. This notice should be given to us in the first instance at the following address:

UBS Structured Products
Equity Operations
GPO Box 4151
Sydney NSW 2001

4. Your obligations

- 4.1** It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2** If there are insufficient clear funds in your account to meet a debit payment:
- (a) you may be charged a fee and/or interest by your financial institution;
 - (b) you may also incur fees or charges imposed or incurred by us; and
 - (c) you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.
- 4.3** You should check your account statement to verify that the amounts debited from your account are correct.

- 4.4** Unless indicated otherwise, any fees and charges payable on a supply made under or in connection with this agreement are stated exclusive of GST.
- 4.5** If UBS Securities Australia Limited is liable to pay GST on a supply made under or in connection with this agreement, then you agree to pay UBS Securities Australia Limited on demand an additional amount equal to the GST payable on that supply (unless the consideration is expressed to be inclusive of GST).
- 4.6** Terms used in clauses 4.4 and 4.5 have the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999 unless the context suggests otherwise.

5. Dispute

- 5.1** If you believe that there has been an error in debiting your account, you should notify us directly on 1800 633 100 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly.
- 5.2** If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3** If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding.
- 5.4** Any queries you may have about an error made in debiting your account should be directed to us in the first instance so that we can attempt to resolve the matter between us and you. If we cannot resolve the matter you can still refer it to your financial institution which will obtain details from you of the disputed transaction and may lodge a claim on your behalf.

6. Accounts

- 6.1** You should check:
- (a) with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions;
 - (b) your account details which you have provided to us are correct by checking them against a recent account statement; and
 - (c) with your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

7. Confidentiality

- 7.1** We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2** We will only disclose information that we have about you within the Direct Debit Request Form:
- (a) to the extent specifically required by law; or
 - (b) for the purposes of this agreement (including disclosing information in connection with any query or claim); or
 - (c) as otherwise agreed by you.

8. Notice

- 8.1** If you wish to notify us in writing about anything relating to this agreement, you should write to us at the following address:

UBS Structured Products
Equity Operations
GPO Box 4151
Sydney NSW 2001

- 8.2** We will notify you by sending a notice in the ordinary post to the address you have given us in the direct debit request.

- 8.3** Any notice will be deemed to have been received on the third banking day after posting.

Section 13 - Terms of the Deferred Purchase Agreement

These Terms (including, in respect of a Series, those set out in the Term Sheet for that Series) form the terms and conditions on which the Investor agrees to acquire the Delivery Parcel from UBSSAL under the Units. Capitalised words have the meaning given to them in the "Glossary" section of the PDS.

1. Applications and Acceptance

1.1 Offer by the Investor

An Investor may make an offer to UBSSAL to acquire the Delivery Parcel from UBSSAL on a deferred basis in accordance with these Terms:

- (a) by completing and returning a valid Application Form to an Approved Adviser and ensuring the Approved Adviser provides the Application Form to UBSSAL before the Offer Period Close time; and
- (b) by ensuring that an amount equal to the Total Investment Amount is received by UBSSAL in cleared funds by the Payment Date.

1.2 Investor bound by Terms

By signing the Application Form and arranging for the Approved Adviser to lodge it with UBSSAL, the Investor agrees to be bound by these Terms, including any variation to these Terms, as notified to the Investor in accordance with these Terms, provided that the variation is not unfair to the Investor (as defined in Section 12BG of the Australian Securities and Investment Commission Act 2001 (Cth) ("ASIC Act").

1.3 Acceptance of the offer by UBSSAL

- (a) UBSSAL may decide in its absolute discretion whether or not it will accept the Investor's offer to acquire the Delivery Parcel from UBSSAL and whether or not to issue the Units.
- (b) If UBSSAL decides that it will accept an Application and provided that UBSSAL has received the Total Investment Amount in cleared funds by the Payment Date (or such other time if otherwise accepted by UBSSAL in its discretion), acceptance of the Investor's offer will take place, and the parties' rights and obligations under these Terms will commence, on the Issue Date. For each multiple of the Purchase Price paid the Investor will be entitled to one Unit.
- (c) Within 10 Business Days of the Issue Date of a Series, if UBSSAL accepts an Investor's offer, UBSSAL will send to the Investor a Confirmation Notice acknowledging either acceptance or rejection of the Investor's offer, and setting out the relevant details for the Units, including the Conditional Return.

2. Appointment of Registrar

- (a) UBSSAL will either act as Registrar or appoint the Registrar set out in the Term Sheet. The Registrar will be responsible for establishing and maintaining a separate Register for each Series of Units issued by UBSSAL during the term of the Registrar's appointment. The Register will be established and maintained in Sydney (or any other place in Australia as UBSSAL and the Registrar may agree).
- (b) The Investor acknowledges and agrees that the Register will be conclusive evidence of ownership of interests in the Units. UBSSAL is not required to recognise any interest in Units not recorded in the Register.

3. Deferred purchase of Delivery Assets

3.1 Purchase of Delivery Assets

The Investor agrees to purchase from UBSSAL the Delivery Parcel for the Total Investment Amount (which will be paid by the Investor in accordance with clause 3.2). Following Maturity, UBSSAL will deliver the Delivery Parcel to the Investor in accordance with clause 5.

3.2 Payment of the Total Investment Amount

- (a) The Investor must pay the Total Investment Amount to UBSSAL in cleared funds by the Payment Date (or such other time if otherwise accepted by UBSSAL in its discretion).
- (b) The Minimum Total Investment Amount for which an Application will be accepted by UBSSAL under these Terms in respect of a Series is the Minimum Total Investment Amount specified in the Term Sheet for that Series.

4. Barrier Event

A Barrier Event will affect the Final Value when Calculating the Delivery Parcel.

5. Maturity and Settlement of deferred purchase

5.1 Notice of Maturity

UBSSAL will, unless otherwise specified in the PDS, give a Maturity Notice to the Investor not less than twenty (20) Business Days before the Maturity Date.

5.2 Effecting Maturity

- (a) If the Investor wishes to use the Agency Sale Arrangement, the Investor must return the Maturity Notice to UBSSAL on the date which is at least 5 Business Days before the Maturity Date, specifying in the Maturity Notice that the Investor will use the Agency Sale Arrangement.
- (b) If the Investor:
 - (i) does not lodge a Maturity Notice with UBSSAL by the date which is at least 5 Business Days before the Maturity Date; or
 - (ii) returns the Maturity Notice to UBSSAL by the date which is at least 5 Business Days before the Maturity Date and the Investor has not elected in the Maturity Notice to use the Agency Sale Arrangement,

physical delivery of the Delivery Parcel will occur in accordance with clause 5.3.

5.3 Physical delivery of the Delivery Assets to the Investor

Unless the Investor has elected on the Maturity Notice to use the Agency Sale Arrangement:

- (a) UBSSAL (either itself or through a nominee) will procure the performance of all acts required of a transferor of marketable securities under the ASTC Settlement Rules for ASX listed Delivery Assets to enable the Delivery Parcel to be transferred to the Investor (or the Investor's nominee) on the Settlement Date or as soon as possible thereafter, free from any security interest or third party interest or restriction on transfer (other than one that has been accepted by the ASX for the purposes of quotation of the property comprising the Delivery Assets); and
- (b) In respect of ASX listed Delivery Assets, the Investor irrevocably authorises UBSSAL and any of its nominees, at the option of UBSSAL, to act as the Investor's agent to do all things required to be done, including but not limited to supplying the Investor's HIN, to effect the delivery of the Delivery Parcel to the Investor (or the Investor's nominee); and
- (c) Investors who are CHESS sponsored with UBSSAL or UBSSAL's nominees will receive delivery of the Delivery Parcel in their UBSSAL (or UBSSAL's nominee) sponsored account. Investors who are not CHESS sponsored with UBSSAL or UBSSAL's nominees, will have their Delivery Parcel delivered to the register of the Delivery Asset issuer.

5.4 Delivery through the Agency Sale Arrangement

If the Investor has elected to use the Agency Sale Arrangement, UBSSAL (either itself or through a nominee) will procure the delivery of the Delivery Parcel as follows:

- (a) UBSSAL or its nominees are irrevocably authorised to accept physical delivery of the Delivery Parcel for and on behalf of the Investor on the Settlement Date;
- (b) the Investor irrevocably authorises UBSSAL or its nominees to sell, and irrevocably directs and authorises UBSSAL or any of its nominees to take all actions necessary or desirable to effect the sale by UBSSAL or its nominees of, the Delivery Parcel for and on behalf of the Investor;
- (c) UBSSAL or its nominees on behalf of UBSSAL will pay to the Investor's Settlement Account (or pay by cheque to the Investor if no Settlement Account is nominated) the Sale Proceeds, within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter; and
- (d) the Investor acknowledges and agrees that:
 - (i) UBSSAL or its nominees agree to sell the Delivery Parcel on behalf of the Investor for an amount per Delivery Asset equal to the Average Price; and

- (ii) to the maximum extent permitted by law, UBSSAL and its nominees are not responsible for any loss, costs or expense incurred by the Investor as a result of using the Agency Sale Arrangement, except to the extent that such loss, cost or expense arises as a result of UBSSAL's or the nominee's gross negligence, wilful default, fraud or dishonesty.
- (iii) UBSSAL and its nominees will use their best endeavours to sell the relevant Delivery Parcel in accordance with clause 5.4(d)(i). If, for any reason whatsoever, the Issuer and its nominees are unable to sell the relevant Delivery Parcel at the Average Price, the Investor irrevocably authorises the Issuer and its nominees to use reasonable endeavours to sell the relevant Delivery Parcel as soon as reasonably practicable for the market price applicable at the time of sale.

5.5 Satisfaction of obligations

Upon delivery of the Delivery Parcel to the Investor in accordance with clause 5.3 or payment by UBSSAL or its nominee (on behalf of UBSSAL) to the Investor of the Sale Proceeds under clause 5.4(c), UBSSAL's obligations to the Investor under these Terms are satisfied in full and discharged.

5.6 Delivery of a whole number of Delivery Assets only

UBSSAL or its nominee will not transfer a fractional Delivery Asset or parts of a Delivery Asset. If after aggregating all Delivery Assets transferred to an Investor on the Settlement Date (or any other date), and if any fractional share would be transferable by UBSSAL on the Settlement Date (or any other date), UBSSAL will cause to be paid to the Investor (within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter) an amount equal to the value of the fraction of the share forgone based on the Average Price provided that such amount exceeds twenty Australian Dollars (A\$20.00). If the amount does not exceed A\$20.00, UBSSAL is under no obligation to the Investor to make any payment for the fractional share. Upon payment of the amount under this clause, UBSSAL is discharged of its obligation to deliver the fraction of the share forgone.

5.7 Substitution of Delivery Assets

UBSSAL may determine that it is not possible or efficient to obtain or to transfer one or more of the Delivery Assets comprising the Delivery Parcel to the Investor, due to legal or regulatory restrictions relating to the Delivery Assets (including but not limited to cessation or Suspension from listing) or the Issuer, including but not limited to trade limitations resulting from internal conflict arrangements. In this case, Maturity will take place in accordance with clause 5 (or, in the case of an Early Maturity, in accordance with clause 6.4(a)) except that UBSSAL may substitute the Delivery Asset for any other security quoted and trading on ASX (including any other security or any other fund or entity listed on ASX) that is included in the S&P/ASX200 Index and deliver that substituted security in accordance with these Terms as if the definition of "Delivery Asset" was amended to refer to the substituted security.

6. Early Maturity

6.1 Early Maturity by UBSSAL

UBSSAL may at any time (acting reasonably), nominate any of the following events as an Early Maturity Event:

- (a) an event considered to be an Early Maturity Event as described in the PDS (whether or not specifically described as an Early Maturity Event);
- (b) an Adjustment Event occurs or is proposed to occur and in UBSSAL's reasonable opinion it is not possible to deal with the occurrence of that event in accordance with clause 7;
- (c) if UBSSAL determines in good faith that the performance of its obligations in relation to or under these Terms has or will become, in circumstances beyond the reasonable control of UBSSAL, impossible, unlawful, illegal or otherwise prohibited as a result of compliance with any applicable present or future law, rule, regulation, judgement, order or directive of any government, administrative, legislative or judicial authority or power; or
- (d) any actual or proposed event that may (in UBSSAL's reasonable opinion acting in good faith) be expected to lead to any of the events referred to in paragraphs (a) to (c) above occurring.

If any event occurs which constitutes both an Adjustment Event and an Early Maturity Event as defined in this clause, UBSSAL may treat that event as either an Adjustment Event or Early Maturity Event and notify the Investor accordingly.

6.2 Determination that there will be an Early Maturity

Where UBSSAL has nominated an event as an Early Maturity Event, UBSSAL may in its absolute discretion determine that there will be an Early Maturity and may specify a date as the Early Maturity Date.

6.3 Investor Requested UBSSAL Buy-Back

The Investor may request UBSSAL to buy back their Units on any Business Day by giving an Investor Sale Form to UBSSAL (a UBSSAL Buy-Back). Unless the Investor is an Indirect Investor, a UBSSAL Buy-Back can only be requested in respect of the Investor's full amount of Units. Once lodged the request for a UBSSAL Buy-Back is irrevocable. Upon making the request for UBSSAL Buy-Back:

- (a) The Investor acknowledges that the Conditional Protection and Conditional Return provisions will not apply and the Investor may receive less than their Purchase Price per Unit.
- (b) UBSSAL will, as soon as practicable after the request is received determine whether to accept or reject the request. If the request is accepted, UBSSAL must execute the UBSSAL Buy-Back on the Buy-Back Date. The Investor acknowledges that the Buy-Back Date will depend, in part, upon UBSSAL's ability to liquidate its hedging arrangement (if any), as applicable to that Series and may require UBSSAL to delay and hold over a UBSSAL Buy-Back request.
- (c) UBSSAL will, in its absolute discretion, determine the Buy-Back Price for the purchase of the Investor's Units. The Buy-Back Price will be calculated by reference to the fair market value of the Units on the Buy-Back Date, less Costs and Taxes and Break Costs. UBSSAL will, upon request, provide an Investor with an estimate of the Buy-Back Price before effecting the buy-back. The Investor acknowledges this is an estimate only and the actual Buy-Back Price on the Buy-Back Date may be significantly less than the estimate. UBSSAL will notify the Investor of the actual Buy-Back Price in the Settlement Notice.
- (d) Upon payment by UBSSAL of the Buy-Back Price to an Investor all of UBSSAL's obligations to the Investor under these Terms are deemed to be satisfied and discharged in full.
- (e) Upon payment of the Buy-Back Price UBSSAL will arrange for an Investor's name and details to be removed from the Register.

6.4 Early Maturity Mechanism

- (a) If UBSSAL determines that there will be an Early Maturity, the Early Maturity will take place as follows:
 - (i) UBSSAL will, before the Early Maturity Date, notify the Investor that Early Maturity will occur on the Early Maturity Date in accordance with clauses 5 and 6 of these Terms. The Early Maturity Notice issued by UBSSAL under this clause shall serve as the Maturity Notice. UBSSAL will specify in the Early Maturity Notice whether Early Maturity will occur by the Maturity process in accordance with clause 6.4(a)(ii) or by Refund in accordance with clause 6.4(a)(iii).
 - (ii) If specified in the Early Maturity Notice and subject to clause 6.4(b), Early Maturity will take place in accordance with the procedures set out in clauses 5.2 to 5.7 of these Terms.
 - (iii) If specified in the Early Maturity Notice, Early Maturity will occur by UBSSAL paying to the Investor the Refund to the Investor's Settlement Account (or pay by cheque to the Investor if no Settlement Account is nominated) by the Settlement Date or as soon as practicable thereafter.
 - (iv) After the Delivery Parcel is delivered to the Investor under clause 5.3 or UBSSAL (or its nominee) pays the Investor the Refund in accordance with clause 6.4(a)(iii) or the relevant amount in respect of the Delivery Parcel under clause 5.4 as a result of an Early Maturity Event occurring, all obligations of UBSSAL to the Investor under these Terms are deemed to be satisfied in full and UBSSAL is discharged from its obligations under these Terms. This clause does not discharge UBSSAL of its obligations under the Privacy Act or the terms of its privacy policy.
- (b) If there is an Early Maturity by UBSSAL the Delivery Parcel will be determined in accordance with the definition of "Delivery Parcel" in the Glossary section of the PDS.

6.6 No Conditional Protection on Early Maturity & Break Costs

- (a) Conditional Protection will not apply on Early Maturity whether it arises because of an Early Maturity Event or because the Investor has requested a Buy-Back.

- (b) Without limiting the foregoing, in determining the Early Maturity Value or Buy-Back Price UBSSAL may deduct any costs, losses or expenses that it reasonably incurs in relation to the Early Maturity or UBSSAL Buy-Back, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain.

6.7 Possible reduction of value on Early Maturity

UBSSAL does not guarantee to deliver to the Investor a Delivery Parcel based on the Final Value if there is an Early Maturity. For the avoidance of doubt, where there is an Early Maturity (and UBSSAL elects to apply the maturity process in accordance with clause 6.4(a)(ii)) the Delivery Parcel will be determined in accordance with clause 6.4(b) and any Conditional Protection will not apply (unless otherwise specified in the PDS).

6.8 Adjustments to this clause

Subject to clause 15, where UBSSAL reasonably determines that any of the provisions of this clause 6 are not appropriate in any particular circumstances, or that any event which is not dealt with in clause 6 should have been dealt with, it may make any alterations to the effect of this provision or any other Term that it considers to be reasonably appropriate provided that the alteration is not unfair (as defined in section 12BG of the ASIC Act).

7. Adjustment Events and Market Disruption Events

7.1 Adjustment Events

If an Adjustment Event occurs or is proposed to occur on or before the Maturity Date, UBSSAL may in its absolute discretion elect to do any or all of the following:

- (a) substitute part or all of the affected Reference Index with any other asset; and/or
- (b) substitute the Delivery Asset with any other security quoted and trading on the ASX; and/or
- (c) adjust or amend any variable, formula, date, amount or calculation as set out or used in these Terms (including the PDS and Term Sheet); and/or
- (d) adjust, amend or substitute the definition of Reference Index or Delivery Asset and/or vary any of the terms referred to in the PDS, and/or
- (e) determine to suspend or delay any of the necessary calculations referred to in these Terms as appropriate until reliable values can be obtained,

in a manner consistent with any adjustment or change made to UBSSAL's hedging arrangement or in a manner consistent with the PDS provided that in the reasonable opinion of UBSSAL the adjustment in accordance with the above paragraphs is appropriate to put both UBSSAL and the Investor in as similar economic position as reasonably possible as the Investor and UBSSAL would have been in had the Adjustment Event not occurred. If in the reasonable opinion of UBSSAL it is not possible to deal with the occurrence of the Adjustment Event in accordance with this clause 7, UBSSAL may nominate the event as an Early Maturity Event and may deal with that event in accordance with clause 6. UBSSAL will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs or, if it is not possible to notify before adjustment, as soon as reasonably practicable after the adjustment occurs and UBSSAL will reasonably determine and notify Investors of the effective date of that adjustment.

7.2 Market Disruption Events

If there is a Market Disruption Event affecting any part of the Reference Index, the securities which make up the Reference Index or the Delivery Asset on any date that a calculation or determination is to be made (including whether a Barrier Level has been reached and including on the Maturity Date), then the date for the determination or calculation in relation to the Reference Index or Delivery Asset (as the case may be) or the Maturity Date is to be the first succeeding Trading Day on which there is no Market Disruption Event. However, if there is a Market Disruption Event on each of the 8 Trading Days immediately following the original date that, but for the Market Disruption Event, would have been the date on which the determination or calculation was made or the Maturity Date, then:

- (a) that 8th Trading Day is to be taken to be the Maturity Date or the relevant date for the determination or calculation (as applicable), despite the Market Disruption Event; and

- (b) UBSSAL must on that 8th Trading Day in good faith and in its absolute discretion determine the observation to be reached for the calculation or determination that would have prevailed on the original date but for that Market Disruption Event.

UBSSAL must, as soon as practicable (and in no event later than 5 Business Days after the original date that, but for the occurrence or existence of a Market Disruption Event, would have been the date on which the determination or calculation was made or the Final Maturity Date) notify Investors of the existence or occurrence of a Market Disruption Event.

8. Accretions

These Terms do not confer on the Investor any right or interest in respect of Accretions to the Delivery Assets arising prior to delivery of the Delivery Assets in accordance with clause 5.3. Accretions to the Delivery Assets or the securities that make up the Reference Index may lead to adjustments as provided for in clause 7 of these Terms

9. UBSSAL's obligations are unsecured

UBSSAL's obligations under these Terms (including in relation to the deferred purchase of the Delivery Assets) are direct, unconditional and unsecured obligations of UBSSAL and these obligations rank equally with UBSSAL's existing unsecured debt, subject to insolvency, banking or similar laws affecting creditors' rights generally.

10. Beneficial interest in the Portion of the Delivery Asset

- (a) Upon acceptance by UBSSAL of the Investor's Application, the Investor receives, in respect of their Total Investment Amount, a beneficial interest in a Portion of the Delivery Assets on the Issue Date. The Investor holds the Beneficial Interest until the earlier of the Maturity Date or transfer of their Units in accordance with these Terms.
- (b) An Investor may only deal with the Beneficial Interest in accordance with these Terms.
- (c) The Beneficial Interest forms part of the Units held by the Investor and may not be severed from the balance of the rights in connection with those Units or dealt with separately in any way.
- (d) When an Investor deals with a Unit in any way, then without the need for any additional writing or action, the same dealing between the same parties shall occur in respect of the corresponding Beneficial Interest. When an Investor deals with a Beneficial Interest in any way, then without the need for any additional writing or action, the same dealing between the same parties shall occur in respect of the corresponding Unit. For example, when an Investor (the "old holder") transfers a Unit to another person (the "new holder"):
 - (i) all the rights and obligations that attach to that Unit, including the Beneficial Interest are transferred from the old holder to the new holder;
 - (ii) the old holder's interest in the Unit will be removed from the Register and the new holder will be added to the Register; and
 - (iii) the old holder ceases to have any rights in relation to the Unit or the Beneficial Interest.
- (e) If any Investor purports to deal with a Unit without an equivalent dealing in the corresponding Beneficial Interest, or if any Investor purports to deal with a Beneficial Interest without an equivalent dealing in the corresponding Unit, or if any Investor purports to contract out of this clause in any way, any such dealing will be void and the Unit and the Beneficial Interest will remain with the Investor recorded on the Register of holders.
- (f) The Issuer or its nominee will hold the Portion of the Delivery Assets from the Issue Date until the Maturity Date and will be entitled to retain any distributions made in connection with those assets, exercise all voting rights and will not be required to pass any notice of meeting or other material in connection with those Assets to the Investor. On the Maturity Date, the Issuer will sell the Portion of the Delivery Asset and the sale proceeds from this sale will be included in the Final Value.
- (g) The Investor agrees and acknowledges that the agreement to purchase the Delivery Assets as set out in these Terms and the payment of the Total Investment Amount does not transfer the legal or beneficial interest in the Delivery Assets to the Investor other than the Beneficial Interest in a Portion of the Delivery Asset. The parties agree and acknowledge that the legal or beneficial interest in the balance of the Delivery Assets will transfer to the Investor only on the Settlement

Date. If the Issuer fails to deliver the balance of the Delivery Parcel to the Investor in accordance with these Terms, the Investor agrees that it will not be entitled to an injunction, specific performance or any other equitable rights or remedies and will be entitled only to damages.

11. Taxes

- (a) UBSSAL is not liable for any Taxes or other charges (i) payable by the Investor in relation to or in connection with these Terms; or (ii) payable by UBSSAL or any other person on, as a consequence of, or in connection with, the purchase, sale or transfer of a Delivery Asset or rights or any other supply made under or in connection with these Terms.
- (b) The Investor must:
 - (i) pay all Taxes (including GST) and other charges for which the Investor becomes liable in relation to or in connection with these Terms; or
 - (ii) pay an additional amount to UBSSAL on demand equal to any applicable Taxes (including GST) and other charges for which UBSSAL or any other person becomes liable on, as a consequence of, or in connection with, the purchase, sale or transfer of a Delivery Asset or rights, or any other supply made under or in connection with these Terms.

12. Investor's representations and warranties

By signing the Investor Application Form and arranging for the Approved Adviser to lodge it with UBSSAL, the Investor represents and warrants to UBSSAL (as a continuing representation and warranty) that:

- (a) the Investor has full legal capacity to make the Application and be bound by these Terms and has taken all actions that are necessary to authorise the Application and be bound by these Terms;
- (b) the Investor has reviewed these Terms and has made its own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the purchase of the Delivery Assets;
- (c) the Investor has not relied in any way on any statements made by UBSSAL or its related entities or their servants, agents, employees or representatives in relation to these Terms or the deferred purchase of the Delivery Assets and the Investor acknowledges that UBSSAL has not made any representations to the Investor regarding the suitability or appropriateness of the deferred purchase of Delivery Assets pursuant to these Terms;
- (d) the Investor understands that nothing in these Terms or any marketing material associated with these Terms can be considered financial product advice or a recommendation to invest in the Units or to acquire the Delivery Assets;
- (e) the Investor has obtained all consents which may be required by law to enable the Investor to acquire the Delivery Assets and to become registered as the holder of the Delivery Assets and the registration of the Investor as the holder of the Delivery Assets will not contravene any law, regulation or ruling or the constitution of the issuer of the Delivery Assets;
- (f) the Units being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable to the Investor and the Investor is not a resident or national of any jurisdiction where the Application for, or the Maturity of, the Units is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by UBSSAL or any of its related bodies corporate; and
- (g) the Investor acknowledges that the section in the PDS entitled "Tax Summary" is provided only for the benefit of UBSSAL and is necessarily general in nature and does not take into account the specific taxation circumstances of each Investor. The Investor acknowledges that it has sought its own independent advice on the taxation implications relevant to their own circumstances before making an investment decision.

13. Set off Rights

- (a) All monetary obligations imposed on the Investor under these Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.

- (b) UBSSAL may set off any amount payable to it by the Investor against any amount payable by UBSSAL to the Investor. UBSSAL may withhold any amount payable by it to the Investor in satisfaction of any amount payable to it by the Investor.

14. Notices

- (a) Any notice or statement to be given or demand to be made on the Investor under these Terms:
 - (i) will be effectively signed on behalf of UBSSAL if it is executed by UBSSAL, any of its officers, its solicitor or its attorney;
 - (ii) may be served by being delivered personally to, by being left at, by being e-mailed to, or by being posted in a prepaid envelope or wrapper to the Investor's address (or e-mail address) notified to UBSSAL or the Investor's registered office, place of business, or residence last known to UBSSAL, or by being sent to the Investor by facsimile transmission;
 - (iii) may be posted on UBSSAL's website or an announcement made in an Australian newspaper with national coverage, if providing notice in such a manner is allowed by the Corporations Act or any ASIC policy.
- (b) A demand or notice if:
 - (i) posted will be deemed served two Business Days after posting;
 - (ii) sent by facsimile or electronic transmission will be deemed served on conclusion of transmission;
 - (iii) Posted on a website or published in a newspaper will be given the date of posting or publishing.
- (c) Service by any of these methods will be valid and effectual even if the Investor does not receive the document or if the document is returned to UBSSAL unclaimed.

15. Amendment of Terms

UBSSAL may, from time to time, by notice sent to the Investor make any modification, variation, alteration or deletion of, or addition to, these Terms ("Change") where:

- (a) the Change is one reasonably determined by UBSSAL as being required under either of clauses 6 or 7 of these Terms, provided that the Change is not unfair (as defined in Section 12BG of the ASIC Act);
- (b) the Change is necessary or desirable in the reasonable opinion of UBSSAL to comply with any statutory or other requirement of law; or
- (c) the Change is desirable to correct an inconsistency or error in these Terms (but only if such Change is not unfair (as defined in section 12BG of the ASIC Act))).

UBSSAL will give the Investor notice of any Change to these Terms and the Investor will be bound by any such Change at the time the Investor is given such notice.

16. General provisions

16.1 Currency

All amounts payable by either party under these Terms will be paid in the denomination specified in the Term Sheet. All calculations will be performed in the currency specified as the "Denomination" in the Term Sheet.

16.2 No merger

UBSSAL's rights under these Terms are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by UBSSAL or any other obligation of the Investor to UBSSAL, despite any rule of law or equity or any other statutory provision to the contrary.

16.3 Rounding

All calculations made by UBSSAL for the purposes of these Terms will be made to not fewer than two decimal places. Other than as provided in these Terms, rounding of numbers will not occur until the final calculation of a relevant amount or number at which time the Investor's entitlements will be aggregated

and that aggregate will be rounded so that all money amounts are rounded down to the nearest whole cent and all numbers of Delivery Assets are rounded down to the nearest whole number.

16.4 Certificates

Any document or thing required to be certified by the Investor or UBSSAL must be certified by the Investor (if an individual) or a director, secretary or authorised officer of the Investor (if a company) or UBSSAL, as the case requires, or in any other manner that UBSSAL may approve.

16.5 Execution by attorneys

Each attorney executing an Application Form which binds the Investor to these Terms states that he, she or it has no notice of revocation or suspension of the power of attorney under which the attorney executes that form.

16.6 Appointment as agent

The Investor irrevocably appoints UBSSAL, its attorneys and its nominees and any of their directors, secretaries and officers whose title includes the word "director" from time to time jointly and severally as agent of the Investor to do (either in the name of the Investor or the agent) all acts and things that the Investor is obliged to do under these Terms or which, in the opinion of UBSSAL, are necessary or desirable in connection with the Delivery Assets or the protection of UBSSAL's interests or the exercise of the rights, powers and remedies of UBSSAL, including without limitation the authority to sell the Delivery Assets on behalf of the Investor in accordance with clause 5.4(b).

16.7 Invalid or unenforceable provisions

If a provision of these Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

16.8 Waiver and exercise of rights

A single or partial exercise of a right by UBSSAL does not preclude another exercise or attempted exercise of that right or the exercise of another right by UBSSAL. Failure by UBSSAL to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

16.9 Assignment and transfer of interests

- (a) UBSSAL may transfer its rights and obligations, under these Terms at any time by giving notice to the holder of the Units, provided that the transfer is not to the detriment of the Investor, and is not otherwise unfair (as defined in Section 12BG of the ASIC Act).
- (b) Subject to meeting any requirements and providing any information UBSSAL may require, the rights and obligations under these Terms may be transferred or novated by an Investor with the prior consent of UBSSAL.
- (c) When an Investor deals with a Unit in a manner that does not involve the transfer of legal ownership of the Unit, the Issuer has no duty to record the dealing on the Register. Each Beneficial Interest corresponding to a particular Unit will pass to a new Investor upon registration of a transfer of the Unit in the Register

16.10 Recording conversations

The Investor acknowledges that conversations between the Investor and UBSSAL (or any officer of UBSSAL or an Approved Adviser) may be tape-recorded. The Investor consents to the tape-recording and its use (or any transcript of the recording) in any proceedings that may be commenced in connection with these Terms.

16.11 Calculations and references to dates and times

Calculations or determinations which are to be made on or by reference to a particular day, are to be made on or by reference to that day in the place and time zone of the Relevant Exchange to which that calculation or determination relates.

16.12 Payments by UBSSAL

All amounts payable by UBSSAL under these Terms will be paid to the Investor's Settlement Account. If the Investor has not nominated a Settlement Account, payment will be made by UBSSAL drawing a cheque made payable to the Investor which will be sent to the address recorded in the Register for that Investor, and on doing so UBSSAL is discharged of its obligations under these Terms.

16.13 Governing law and jurisdiction

These Terms are governed by the laws of New South Wales. The Investor irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

16.14 Terms of the Deferred Purchase Agreement prevail

If there is an inconsistency between the terms and conditions of the Deferred Purchase Agreement and statements made in the PDS, the terms and conditions of the Deferred Purchase Agreement prevail.

16.15 Time is of the essence

Time is of the essence in respect of the obligations of the Investor under these Terms.

16.16 Discretions

Any determination made by UBSSAL will be made in its sole discretion, acting in good faith and in a commercially reasonable manner and will be conclusive and binding on all parties, except in the case of manifest error.

17. Interpretation

- (a) In these Terms, unless the context requires another meaning, a reference:
 - (i) to the singular includes the plural and vice versa;
 - (ii) to a document (including these Terms) is a reference to that document (including any schedules and annexures) as amended, consolidated, supplemented, novated or replaced;
 - (iii) to a person (including a party) includes an individual, company, other body corporate, association, partnership, firm, joint venture, trust or Government Agency, and it also includes the person's successors, permitted assigns, substitutes, executors and administrators;
 - (iv) to a law is a reference to that law as amended, consolidated, supplemented or replaced and it includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation made under that law, or any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange;
- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) Headings are for convenience only and do not affect interpretation.
- (d) If a payment or other act must (but for this clause) be made or done on a day that is not a Business Day or, where relevant a Trading Day, then it must be made or done on the next Business Day or Trading Day as the case may be.
- (e) If a period occurs from, after or before a day or the day of an act or event, it excludes that day.
- (f) These Terms may not be construed adversely to a party only because that party was responsible for preparing them.
- (g) Any term not defined in these Terms and which is defined in the PDS has the same meaning as in the PDS unless the context otherwise requires.
- (h) All references to time are to time in Sydney, Australia (unless otherwise stated).

Section 14 - Glossary

Capitalised words have the following meaning given to them, unless the context requires otherwise. All references to clauses are to clauses in the Terms.

"Accretions" means all rights, accretions and entitlements attaching to the Reference Index, the securities that make up the Reference Index or the Delivery Assets after the Issue Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the securities that make up the Reference Index, the Reference Index or the Delivery Asset;

"Adjustment Event" means in respect of either the securities that make up the Reference Index, the Reference Index or the Delivery Assets (the "Reference Asset") any of the following events:

- (a) where the Reference Asset is a security or a basket of securities or is an interest in a managed investment scheme:
 - (i) the actual or proposed adoption of any procedure, event or action which is or which is likely to result in any cash return of capital, pro-rata cash distribution, capital reduction, liquidator's distributions, share buy-back, bonus issue, rights issue, arrangement, scheme of arrangement, compromise, merger, demerger, reconstruction, compulsory acquisition, redemption, cancellation, replacement, modification, subdivision or consolidation, takeover bid, special dividend, non cash dividend, share split or any other similar or like event;
 - (ii) any event which is or which results in the actual or proposed administration, liquidation, winding up or termination of the issuer of the Reference Asset or other similar or like event (however described);
 - (iii) any event which is or which results in the actual or proposed de-listing of the Reference Asset (or any of its component securities, in the case of a share basket) or the actual or proposed removal from quotation of the Reference Asset (or any of its component securities, in the case of a share basket) or the actual or proposed Suspension from trading of the Reference Asset (or any of its component securities, in the case of a share basket);
- (b) where the Reference Asset is an index:
 - (i) the Reference Asset is suspended or ceases to be published for a period of 24 hours or more;
 - (ii) the Reference Asset is not calculated and announced by the index provider, but is calculated and announced by a successor to the index provider;
 - (iii) the Reference Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation;
 - (iv) the index provider or any successor makes a material change in the formula for or the method of calculating the Reference Asset or in any way materially modifies that Reference Asset; or
 - (v) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange for a period of 24 hours or more;
- (c) where the Reference Asset is a commodity:
 - (i) the commodity price is suspended or ceases to be available for a period of 24 hours or more;
 - (ii) there is a material change in the method of calculation of the commodity price; or

- (iii) there is a suspension or material limitation in trading of the commodity on any relevant over-the-counter market for a period of 24 hours or more; or
- (iv) there is a suspension or material limitation of trading in the commodity futures contract used by the Issuer to hedge its position, for a period of 24 hours or more;
- (d) any actual or proposed event that may (in UBSSAL's reasonable opinion) be expected to lead to any of the events referred to in paragraphs (a), (b) or (c) above occurring;
- (e) where any Force Majeure Event occurs, or any other event occurs which UBSSAL determines in good faith results in the performance of its obligations having become or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited; or
- (f) Hedging Disruption or Increased Costs of Hedging, Change in Law or any termination of UBSSAL's hedging arrangement or the adjustment or change of UBSSAL's hedging arrangements occurs in such a manner that it is reasonably impracticable for UBSSAL to adjust or change the Terms to reflect the adjustment or change in the hedging arrangements; or
- (g) any other event which UBSSAL reasonably declares to be an Adjustment Event;

"Agency Sale Arrangement" means the agreement between the Investor and UBSSAL entered into on receipt by UBSSAL of a Maturity Notice specifying the Investor's election to use the Agency Sale Arrangement, under which UBSSAL will sell, or procure the sale of, the Delivery Parcel for and on behalf of, at the direction of and as agent for the Investor on or as soon as practicable after the Settlement Date in accordance with clause 5.4 of the Terms;

"Application" means an offer by the Investor to UBSSAL to acquire the Delivery Parcel on a deferred basis on the terms and conditions set out in the Terms;

"Application Form" means the Investor Application Form attached to or accompanying the PDS;

"Approved Adviser" means, in respect of a Series, such broker(s) or advisers approved by UBSSAL and notified to Investors via its website www.ubs.com/equitysolutions as the Approved Adviser(s) in respect of that Series from time to time;

"Approved Adviser Fee" has the meaning given in the Term Sheet;

"ASTC Settlement Rules" means the settlement rules of the ASX Settlement and Transfer Corporations Pty Limited as amended or substituted from time to time;

"ASX" means as the context requires, the Australian Securities Exchange, as operated by ASX Limited (ABN 98 008 624 691), or ASX Limited;

"ASX Market Rules" means the market rules of ASX as amended or substituted from time to time;

"ASX Trading Day" means a day on which all of ASX is open for normal trading;

"AUD" or **"A\$"** means Australian Dollars;

"Average Price" means, as calculated by UBSSAL, the average weighted price per Delivery Asset at which UBSSAL (or its nominee) acquires or purchases, in connection with the Units, the Delivery Asset on the ASX Trading Day immediately following the Final Maturity Date (or in the case of an Early Maturity, the Early Maturity Date), unless it is not possible to determine the price of the Delivery Asset at that time, in which case UBSSAL may, nominate another time or period of time to determine the average weighted price at which UBSSAL (or its nominee) acquires or purchases, in connection with the Units, the Delivery Asset ;

"Barrier Event" has the meaning given in the Term Sheet.

"Barrier Level" has the meaning given in the Term Sheet.

"Beneficial Interest" means the beneficial interest in the Portion of Delivery Assets granted in accordance with clause 10 of the Terms;

"Break Costs" means all costs, expenses and losses incurred by UBSSAL acting in good faith (including without limitation any amounts paid or incurred on account of any GST or similar tax to the extent that input tax credits are not available, Taxes and losses incurred by UBSSAL and any upfront selling fees paid to an Approved Adviser) and notified by UBSSAL as payable by the Investor as a result of:

- (a) the determination of an Early Maturity Date or Buy-Back Date or other early termination of the Deferred Purchase Agreement;
- (b) the termination or reversal of any arrangements or hedge position entered into by UBSSAL in connection with Units which is terminated early; or
- (c) any loss of profits that UBSSAL may suffer by reason of the early termination of the Deferred Purchase Agreement.

"Business Day" means a day on which banks are open for business in Sydney and Melbourne, but does not include a Saturday, Sunday or public holiday;

"Buy-Back Date" means the date on which UBSSAL executes a UBSSAL Buy-Back request;

"Buy-Back Price" means, in respect of each Series, the amount determined by UBSSAL in its absolute discretion in respect of the buy-back of the Investor's Units in accordance with clause 6.3(c);

"Capped Reference Index Return" has the meaning given in the Term Sheet;

"Change" has the meaning attributed to it in clause 15;

"Change in Law" means that on or after the Issue Date (a) due to the adoption of or change in any applicable law or regulation (including, without limitation, any tax law) or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority) it:

(i) has become illegal to hold, acquire or dispose of the Delivery Assets, the Component Stocks or UBSSAL's hedge; or

(ii) UBSSAL will incur a materially increased (as compared with circumstances existing on the Strike Date) cost in performing its obligations under this PDS (including without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse affect on its tax position).

"Closing Level" has the meaning given in the Term Sheet;

"Closing Time" means the official time for close of trading on the Relevant Exchange on a Trading Day, or ASX on an ASX Trading Day, or if a day is not a Trading Day or ASX Trading Day, 5:00 p.m. Sydney time on that day;

"Conditional Protection" has the meaning given in the Term Sheet;

"Conditional Return" has the meaning given to it in the Term Sheet;

"Confirmation Notice" means a notice provided by UBSSAL to an Investor in accordance with clause 1.3(c) of the Terms;

"Corporations Act" means the Corporations Act 2001 (Cth) as amended from time to time;

"Costs and Taxes" means any incidental costs or expenses incurred by UBSSAL in relation to the transfer of any Delivery Assets to or for the benefit of the Investor following Maturity (whether by way of physical delivery of the Delivery Assets to the Investor or delivery to UBSSAL or its nominee under clause 5.4(a) of the Terms) plus any Taxes and any costs or expenses including brokerage incurred by or charged by UBSSAL or its nominees under or in connection with the Agency Sale Arrangement, if applicable. For the avoidance of doubt, this includes, without limitation, any amounts paid or incurred by UBSSAL or its nominees on account of GST to the extent that input tax credits are not available;

"Deferred Purchase Agreement" means the agreement set out in Section 13 under which the Investor agrees to purchase the Delivery Parcel from UBSSAL on a deferred basis on the terms and conditions set out in the Terms and the PDS including the Term Sheet;

"Delivery Asset " means one ordinary fully paid share in BHP Billiton Limited or any other Delivery Asset specified in the PDS or determined by UBSSAL in accordance with the Terms of that Series;

"Delivery Parcel" means the number of Delivery Assets to be delivered by UBSSAL to the Investor on the Settlement Date as determined by the following formula:

(a) at the Final Maturity Date:

$$\frac{(\text{Final Value} \times \text{number of Units held by an Investor}) - \text{any applicable Costs and Taxes}}{\text{Average Price for the Delivery Assets}}$$

or

(b) if an Early Maturity Event occurs:

$$\frac{\text{Early Maturity Value} \times \text{Number of Units held by Investor} - \text{applicable Costs and Taxes}}{\text{Average Price for the Delivery Assets}}$$

"Disrupted Day" means a day on which a Market Disruption Event is subsisting, as determined by UBSSAL;

"Early Maturity" means the accelerated Maturity in accordance with clause 6 of the Terms;

"Early Maturity Date" means the date notified to the Investor as such in the Early Maturity Notice;

"Early Maturity Event" has the meaning given in clause 6.1 of the Terms;

"Early Maturity Notice" means the notice provided by UBSSAL to the Investor notifying the Investor of the occurrence of an Early Maturity Event (if relevant) and that an Early Maturity will take place on the specified Early Maturity Date;

"Early Maturity Value" per Unit means the fair economic value of the Unit (net of Break Costs) at or around 5:00 pm Sydney time on the Early Maturity Date as determined by UBSSAL in its sole discretion, unless it is not possible to determine the fair economic value of the Unit at that time, in which case UBSSAL may nominate another time to determine the Early Maturity Value.

"Final Maturity Date" means the date that will apply to a Series if the Series has not already matured as a result of an Early Maturity Event, as specified in the Key Dates table on page 4;

"Final Value" per Unit means, in respect of a Series, the value specified in the Term Sheet for that Series as the "Final Value" and is calculated in accordance with the formula in the Term Sheet for that Series;

"Force Majeure Event" means an event or circumstance beyond the reasonable control of a party that prevents one or more parties from performing their obligations under this Agreement;

"General Offer Period" means offer period for Units with open and close dates as specified in the Key Dates table in on page 4;

"General Offer Period Close" means the date the General Offer Period ceases as specified in the Key Dates table on page 4;

"General Offer Period Open" means the date the General Offer Period commences as specified in the Key Dates table on page 4;

"GST" has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time);

"Hedging Disruption" means a situation where on or prior to the Maturity Date or any other relevant date, UBSSAL is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

"HIN" means Holder Identification Number;

"Increased Costs of Hedging" means a situation where on or prior to the Maturity Date or any other relevant date, UBSSAL would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Units, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index Ending Level" has the meaning given in the Term Sheet;

"Index Starting Level" has the meaning given in the Term Sheet;

"Indirect Investor" means a person who has acquired Units through an investor directed portfolio service (IDPS) or IDPS-like service (commonly a master trust or wrap account) or a nominee or custody service;

"Initial Offer Period" means the offer period for Units with open and close dates as specified in the Key Dates table on page 4;

"Initial Offer Period Close" means the date the Initial Offer Period ceases as specified in the Key Dates table on page 4;

"Initial Offer Period Open" means the date the Initial Offer Period commences as specified in the Key Dates table on page 4;

"Investor" means the person or entity whose name is entered on the Register during the Investment Term;

"Investor Sale Form" means the Investor Sale Form attached to or accompanying the PDS for the relevant Series;

"Investment Term" means, in respect of a Series, the term specified in the Term Sheet for that Series as the "Investment Term";

"Issue Date" means, in respect of a Series, the date specified in the Term Sheet for that Series as the "Issue Date";

"Issue Price" means the price specified in the Term Sheet for Investors who apply during the Initial Offer Period;

"Issuer" has the meaning given in the Term Sheet;

"Market Disruption Event" means the occurrence or existence on any Trading Day or ASX Trading Day during the one-half hour period that ends at the Closing Time of any of the following events, in the determination of UBSSAL:

- (a) the suspension or material limitation of trading in (a) a security that makes up the Reference Index, or (b) the Delivery Asset or any component of it, or (c) securities generally on ASX or the Relevant Exchange; or
- (b) any similar event UBSSAL reasonably declares to be a Market Disruption Event, including a Force Majeure Event.

For the purposes of this definition, (1) a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of

the Relevant Exchange; (2) a limitation on trading imposed during the course of a day by reason of movements in price otherwise exceeding levels permitted by the Relevant Exchange will constitute a Market Disruption Event; and (3) issues of materiality are to be determined in the discretion of UBSSAL.

"Maturity" means the settlement of the deferred purchase of the Delivery Parcel in accordance with clause 5 of the Terms, other than as a result of Early Maturity;

"Maturity Date" means in respect of a Series the date specified in the Term Sheet as the "Maturity Date", unless there is an Early Maturity under clause 6, in which case references in the Terms to the Maturity Date are to be read as the date specified by UBSSAL in the Early Maturity Notice;

"Maturity Notice" means a notice issued by UBSSAL in accordance with clause 5.1 or 6.4(a) as the case may be;

"Minimum Conditional Return" has the meaning given in the Term Sheet;

"Minimum Performance Cap" has the meaning given in the Term Sheet;

"Minimum Total Investment Amount" means, in respect of a series, the amount specified in the Term Sheet for that Series as the "Minimum Total Investment Amount";

"Offer Period Close time" means the Initial Offer Period Close time or the General Offer Period Close time as the case may be;

"Payment Date" means, in respect of Applications made during the Initial Offer Period, the date specified in the Key Dates table on page 4, and for Applications made during the General Offer Period, the date as advised by UBSSAL;

"PDS" means this Product Disclosure Statement, any Supplement, any Supplementary PDS, any Application Form and Investor Sale Form, for the relevant Units;

"Performance Cap" has the meaning given in the Term Sheet;

"Portion of the Delivery Asset" means 0.0001 of one Delivery Asset;

"Purchase Price" means the amount determined by UBSSAL in its absolute discretion as the price at which an Investor can acquire a Unit in a Series at a particular point in time, which during the Initial Offer Period, is equal to the Issue Price specified in the Term Sheet for that Series;

"Reference Index" means the S&P/ASX200 Index;

"Reference Index Return" has the meaning given in the Term Sheet;

"Reference Index Provider" means the entity listed as such in the Term Sheet;

"Refund" means the amount determined by UBSSAL in its sole discretion and by whatever means UBSSAL reasonably deems appropriate. Without limiting the foregoing, in determining the Refund, UBSSAL may adjust the Refund for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain;

"Registrar" means the Registrar identified in the Term Sheet or any other registrar appointed by the Issuer from time to time;

"Register" means the register of holders of Units maintained by UBSSAL or a person approved by UBSSAL;

"Relevant Exchange" means in the case of:

- (a) any exchange traded financial product, the primary exchange upon which that financial product is traded; and

(b) an index, the primary exchange upon which the financial products which primarily constitute that index are traded; or

as determined in the discretion of UBSSAL in accordance with the Term Sheet;

"Sale Proceeds" means the proceeds of the sale of the Delivery Parcel obtained by UBSSAL (or its nominee) on behalf of the Investor under the Agency Sale Arrangement, less any Costs and Taxes, including brokerage, applicable to the sale of the Delivery Parcel, and, if applicable, converted at an exchange rate determined by UBSSAL into the currency denomination of the relevant Series;

"Series" means an issue of Units that are identified in the Term Sheet applicable to those Units as forming a "Series";

"Settlement Account" means the transactional banking account held with an Australian bank which is nominated by the Investor on its Application Form;

"Settlement Date" means the fifth Trading Day after the Maturity Date or such later date as determined by UBSSAL in its discretion as is reasonably necessary for UBSSAL to fulfil its obligations under the Terms or unwind and settle any hedging arrangements it has in place in respect of the Units;

"Settlement Notice" means the notice from UBSSAL to Investors following settlement of a Series, an Early Maturity or a Buy-Back Date;

"Strike Date" is the date set out in the Key Dates table on page 4;

"Supplementary PDS" means a supplement issued by UBSSAL to this PDS;

"Supplement" means, if applicable, the supplement which specifies the relevant Conditional Return for the Units;

"Suspension" means any temporary cessation of the trading or quotation of a security that makes up the Reference Index, or the Delivery Asset, including a trading halt on the ASX or the Relevant Exchange (as the context requires);

"Tax" or "Taxes" means any income tax, capital gains tax, GST, withholding tax, stamp, registration and other duties, bank accounts debits tax and other related taxes, levies, imposts, deductions, interest, penalties and charges payable by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of a Delivery Asset or rights, or any other supply made under or in connection with the Terms;

"Terms" means the terms and conditions of the Deferred Purchase Agreement and the PDS on which the Investor agrees to acquire the Delivery Parcel from UBSSAL;

"Term Sheet" means in respect of a Series the section described as the "Term Sheet" for that Series and which forms part of these Terms;

"Total Investment Amount" means an amount equal to the number of Units purchased by an Investor multiplied by the Purchase Price;

"Trading Day" means a day on which the Reference Index Provider publishes the level of the Reference Index and the Relevant Exchange for the Reference Index is open for normal trading;

"UBSSAL" means UBS Securities Australia Limited (ABN 62 008 586 481) or its successors and assigns;

"UBSSAL Buy-Back" means an Investor requested buy back of Units by UBSSAL;

"UBSSAL Credit Margin" means the additional margin that is added to market interest rates to determine the rate which UBSSAL will pay on money deposited (relevant to when Units are issued) or money lent (relevant to when Units are bought back); and

"Unit" means a Deferred Purchase Agreement entered into by UBSSAL and the Investor. The total number of Units held by the Investor will be notified by UBSSAL to the Investor in the Confirmation Notice provided by UBSSAL in accordance with clause 1.3(c) of the Terms.

FORMS

How to Invest and Sell Back

Who should you contact?

You should contact your financial adviser to arrange for investment in or sale of Units. For general queries, please contact UBSSAL on 1800 633 100 or visit the UBSSAL website www.ubs.com/equitysolutions.

Purchase of Units from UBSSAL – “Form A”

You may apply for Units from UBSSAL on any day during the offer period set out on page 4, by providing to the Approved Adviser a completed Application Form for the quantity of Units that you wish to invest in.

You may also be required to provide other supporting documentation as required by the Approved Adviser. The Approved Adviser will forward your Application to UBSSAL on your behalf.

To acquire Units through an Approved Adviser:

- (a) Contact the Approved Adviser and provide to them a completed Application Form for the value of Units that you wish to invest in.

You should ensure that you allow enough time for the Approved Adviser to process your purchase request, Application Form and provide the Application Form to UBSSAL prior to the Offer Period Close time.
- (b) You must also ensure that UBSSAL receives the Total Investment Amount prior to the Payment Date.
- (c) If UBSSAL accepts your Application, the Units will be transferred to you.
- (d) UBSSAL will arrange for your name and details to be included in the Register.

Purchases must be made using the Application Form included in this PDS.

You should read the PDS for the relevant Series to ensure you understand the terms, conditions and risks involved in investing in the Units. This document does not take into account the financial situation and particular needs of each Investor, and nothing in the PDS is a recommendation by UBSSAL or any other person concerning the Units, the Reference Index or the Delivery Assets. Investors should seek independent financial and taxation advice before making a decision whether to invest in the Units.

Direct Debit Form – “Form B”

If you wish to use direct debit to pay for your PERLES+ Units, please fill out and attach an original of this Direct Debit Request form to your Investor Application Form and send both to your Approved Adviser. Initial direct debits are expected to be processed as soon as practicable upon the acceptance of your Application but may be processed on any other date as necessary.

For Applications in the Initial Offer, cleared funds equalling your Total Investment Amount must be in the specified account on 10 September 2010. **If your direct debit fails, you will not be able to participate in the Initial Offer.**

Selling your Units early to UBSSAL – “Form C”

While the Units are designed as a “buy and hold” investment, if you wish to exit your investment in the Units you may request UBSSAL to buy back your Units.

UBSSAL intends to provide you with the opportunity to sell Units to UBSSAL on each Business Day. To request a sale of your Units to UBSSAL:

- (a) Contact UBSSAL and submit a completed Investor Sale Form for the sale of the full amount of your investment in the Units to UBSSAL, within the time frame specified by UBSSAL in the Term Sheet for processing your request.
- (b) UBSSAL may, in its absolute discretion, accept or reject your request, without giving any reasons. If UBSSAL accepts, then your Units will be sold to UBSSAL and UBSSAL will pay to you a Buy-Back

Price determined by UBSSAL in its absolute discretion. You will not be entitled to receive the Delivery Parcel on the sale of your Units.

- (c) UBSSAL will arrange for your name and details to be removed from the Register and you will receive confirmation that UBSSAL accepted the request to buy back the Units, and the price at which your Units were sold.

Sales must be made using the Investor Sale Form included in this PDS.

Indicative bid prices

UBSSAL intends to publish indicative bid prices for the Units and provide that information to certain market data service providers and the Approved Advisers. These indicative bid prices are available from the market data service providers or the Approved Advisers (please refer to the market data codes listed in the Term Sheet). These indicative bid prices will change over time and as such, may be materially different to the price at which UBSSAL may buy back your Units.

Instructions for Application Form – Form A

THIS APPLICATION FORM IS TO BE USED IF YOU WISH TO PURCHASE UNITS. THIS APPLICATION FORM SHOULD BE FORWARDED TO YOUR APPROVED ADVISER.

Please complete the Application Form in accordance with the following instructions.

- A.** Enter your details here - note carefully the information required for each particular type of Applicant in parts 1) to 6). Note that UBSSAL reserves the right to request further information if required to process your Application.
- B.** Enter your postal address here for all correspondence.
- C.** Enter your telephone and email contact details here.
- D.** Enter your Total Investment Amount here under the Series you wish to invest in. This is the total dollar amount you wish to invest in the Units. The minimum amount you may invest is \$25,000 and thereafter in multiples of \$5,000. The number of Units you receive will then be this amount divided by the Purchase Price. The Purchase Price will be equal to the Issue Price of \$1.00 per Unit in the case of Applications in the Initial Offer Period and will be as determined by UBSSAL on the day your Application is accepted for Applications in the General Offer Period. UBSSAL may agree to accept different minimum and/or incremental amounts if you are an Indirect Investor.
- E.** Please indicate here how you intend to pay.
- F.** Enter your bank account details here if you wish to have any cash payments deposited directly to your account. If this is left blank, a cheque for any cash payments will be sent to the address provided.
- G.** Enter details of your Approved Adviser here.

You acknowledge by executing the Application Form you agree to be bound by the Terms set out in the PDS.

Lodging the Form

Application Forms and accompanying documents should be forwarded to your Approved Adviser.

Purchases of Units can only be made by completing and lodging an Application Form attached to this PDS with your Approved Adviser. Application Forms must not be distributed (whether electronically or otherwise) by any person to any other person unless accompanied by or attached to a complete and unaltered copy of this PDS. A free copy of the non-electronic PDS is available from UBSSAL upon request. The Approved Adviser should forward the signed original Application Form to the Registrar at:

Link Market Services Limited
PO Box A471
Sydney South NSW 1235

Payment

Payment for the Units can be made by either Direct Debit (using Form B) or cheque or any other form acceptable to UBSSAL. If you are applying during the Initial Offer Period you must contact UBSSAL to arrange for payment of your Total Investment Amount. If you are applying for Units and paying by cheque then please send us your Application Form and payment after the Offer Period Open date. Any cheques you attach to this Application Form for that purpose should be made out to **UBS Securities Australia Limited**, but sent to your Approved Adviser along with your Application Form.

FORM A –APPLICATION FORM

UBSSAL PERLES+ - Series 15 and Series 16 S&P/ASX200 Index

**THIS FORM IS TO BE USED IF YOU WISH TO INVEST IN UNITS.
THIS FORM SHOULD BE FORWARDED TO YOUR APPROVED
ADVISER.**

Financial Adviser Stamp:**
Wealth Focus Pty Ltd
PO Box 760
Manly, NSW 1655
AFSL: 314872
Tel: 1300 559 869

**** By affixing their Adviser Stamp, Advisers verify the acknowledgements and representations listed under the heading "Advisers" in this Application Form and agree to the terms of the Adviser RCTI Agreement set out in that section.**

This is an Application Form for the UBSSAL Perles+ - Series 15 and Series 16 Units issued by UBS Securities Australia Limited, AFSL 231098.

This Application Form accompanies the PDS dated 23 August 2010 and any supplementary PDS issued for the Units. It is important that Investors read the PDS in full and the acknowledgements contained in this Application Form before applying for the Units. The Issuer will provide you with a paper copy of the PDS including any supplemental PDS and the Application Form, on request without charge.

A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS including any supplemental PDS.

Please refer to the Instructions for the Application Form on the previous page.

I/we hereby apply for the following Units to be issued by UBSSAL to me/us as set out in this Application Form below pursuant to the PDS dated 23 August 2010 for UBSSAL PERLES+ - Series 15 and Series 16:

A. Full Details of Applicant:

If an individual Applicant, please provide:

- your full name, date of birth, residential address and occupation under 1) below

If a company Applicant, please provide:

- the details of all directors under 1) below
- the name of the company and ACN and ABN/ARBN (if there is one) under 2) below
- the details of the beneficial owners under 4) below

If a super fund Applicant with an individual trustee, please provide:

- the details of the trustees under 1) below
- the name of the super fund and ABN under 3) below.

If a super fund Applicant with a corporate trustee, please provide:

- the details of all directors of the trustee under 1) below
- the name of the corporate trustee and ACN and ABN/ARBN (if there is one) under 2) below
- the name of the super fund and ABN under 3) below.

If a trust Applicant with an individual trustee, please provide:

- the details of the trustees under 1) below
- the name of the trust under 3) below
- the details of the beneficiaries of the trust under 5) below
- the details of the contributors to trust assets under 6) below

If a trust Applicant with a corporate trustee, please provide

- the details of all directors of the trustee under 1) below
- the name of the corporate trustee and ACN and ABN/ARBN (if there is one) under 2) below
- the name of the trust under 3) below
- the details of the beneficial owners of the corporate trustee under 4) below
- the details of the beneficiaries under 5) below
- the details of the contributors to trust assets under 6) below

1) Applicant 1 / Trustee / Director Name

First Name	Middle Name	Last Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth	Occupation (if retired, please state occupation before retirement)	
<input type="text"/>	<input type="text"/>	
Residential Address (number and street; suburb, city or town; state; and postcode – Please note that PO Box is not accepted)		
<input type="text"/>		
<input type="text"/>		

Applicant 2 / Trustee / Director Name

First Name	Middle Name	Last Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth	Occupation (if retired, please state occupation before retirement)	
<input type="text"/>	<input type="text"/>	
Residential Address (number and street; suburb, city or town; state; and postcode – Please note that PO Box is not accepted)		
<input type="text"/>		
<input type="text"/>		

Applicant 3/ Trustee / Director Name

First Name	Middle Name	Last Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth	Occupation (if retired, please state occupation before retirement)	
<input type="text"/>	<input type="text"/>	
Residential Address (number and street; suburb, city or town; state; and postcode – Please note that PO Box is not accepted)		
<input type="text"/>		
<input type="text"/>		

Applicant 4 Trustee / Director Name

First Name	Middle Name	Last Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth	Occupation (if retired, please state occupation before retirement)	
<input type="text"/>	<input type="text"/>	
Residential Address (number and street; suburb, city or town; state; and postcode – Please note that PO Box is not accepted)		
<input type="text"/>		
<input type="text"/>		

2) Company / Corporate Trustee Name

Name

--

ACN and ABN / ARBN (if there is one)

--

3) Trust / Super Fund Name

Name

--

ABN (for super funds only)

--

4) Details of beneficial owners (persons holding more than 25% of shares) of Company / Corporate Trustee

Full Name

Date of Birth

Country of Residence

5) Details of all Trust beneficiaries (Not required for complying super funds)

Full Name

Date of Birth

Country of Residence

6) Details of all contributors to Trust assets (Not required for complying super funds)

Full Name

Date of Birth

Country of Residence

B. Postal Address Details:

Number and Street

--

Suburb, City or Town

State

Postcode

--

C. Telephone and Email Details:

Daytime Number:
(include area code)

Contact Name

Email Address:

D. Details of the Units to be purchased:

UBSSAL PERLES+ linked to the S&P/ASX200
Index

Total Investment Amount
(Minimum \$25,000 with \$5,000 increments thereafter)

Series 15

Series 16

Please Note: The Purchase Price of Units will be equal to the Issue Price of \$1.00 in the case of Applications in the Initial Offer Period and will be as determined by UBSSAL, on the day your Application is accepted for Applications in the General Offer Period.

E. How do you intend to pay? (Please tick one)

Cheque (Please make payable to UBS Securities Australia Limited)

☐

Direct Debit (Please complete Form B)

☐

F. Bank Account Details (for direct credit of funds to your account):

I/We request that payments due to me/us by UBSSAL be deposited directly into the following account. I/We acknowledge that these instructions supersede and have priority over all previous instructions, but will only apply in respect of the Units issued pursuant to the PDS dated 23 August 2010 for the UBSSAL PERLES+ – Series 15 and Series 16. Unless advised in writing or otherwise, I/we acknowledge that all future payments due to me/us will be paid into the nominated account.

Bank / Financial Institution Name:

BSB:

Account Number:

Account Name:

Name of Branch / Suburb:

Type of Account:

G. Details of Approved Adviser:

Adviser Name:

Company Name:

Dealer Group Name and AFSL:

Wealth Focus Pty Ltd, PO Box 760, Manly, NSW 1655 AFSL: 314872

Daytime Number:
(include area code)

1300 559 869

Email:

Address Details - Number and Street

Suburb, City or Town

State

Postcode

Investor acknowledgements and representations

1. I/we irrevocably appoint for valuable consideration UBSSAL, its related bodies corporate and each of their respective employees whose title includes the word "director" jointly, and each of them severally as my/our true and lawful agent to do:
 - (a) everything necessary or expedient to bind me/us to the Terms, complete any blanks in the Terms and date and execute the Terms on my/our behalf;
 - (b) anything which I/we must do under or in relation to the Terms or any other agreement or arrangement between me/us and UBSSAL relating to the Units (including arranging physical delivery of the Delivery Assets or acting in accordance with the Agency Sale Arrangement); and
 - (c) anything incidental or necessary in relation to the above (including, but not limited to, completing any blanks in this Application Form and appointing any person as sub-attorney to do any of the above).
2. I/We indemnify the agent against all claims, losses, damages and expenses suffered or incurred as a result of anything done in accordance with the above agency appointment.
3. I/We have read and understood, and agree to accept the Units on the Terms relevant to my/our Units. In particular, I/we:
 - (a) acknowledge that by signing this Application Form and arranging for the Approved Adviser to lodge it with UBSSAL:
 - (i) the Approved Adviser, as my/our agent, will forward this Application Form to UBSSAL for the number of Units set out in this Application Form; and
 - (ii) UBSSAL may, in its absolute discretion, accept or reject my/our Application and may allocate a lower number of Units than I/we applied for;
 - (b) acknowledge that I/we received a complete copy/print-out of the PDS accompanied by this Application Form before I/we completed this Application Form;
 - (c) acknowledge that I/we cannot withdraw my/our Application Form except as permitted by law;
 - (d) agree to be bound by the Terms set out in the PDS;
 - (e) acknowledge that neither UBSSAL nor any of its related entities have provided any tax advice or otherwise made any representations regarding the tax consequences of an application for or an investment in Units;
 - (f) acknowledge that to the extent I/we deem appropriate, I/we have or will obtain my/our own financial, legal and taxation advice from an independent professional adviser; and
 - (g) waive and agree not to assert any claim against UBSSAL or any of its related entities with respect to the tax aspects of this investment in Units.
4. Where bank account details have not been provided to enable direct credit of funds to my/our account, I/we acknowledge that I/we will receive any cash payments by cheque. I/we acknowledge that UBSSAL may impose a charge reflecting the cost of processing cheque payments, provided UBSSAL gives prior notice to me/us of its intention to impose such a charge. Neither UBSSAL nor the Registrar will be responsible for any delays in crediting funds to my/our nominated account as a result of transaction procedures or errors by any financial institution.
5. I/We agree to accept the issue of the Units specified above subject to the same conditions.
6. I am/we are not bankrupt or insolvent (as the case may be) and am/are able to pay my/our debts as and when they become due and that no step has been taken to make me/us bankrupt or commence winding up proceedings, appoint a controller or administrator, seize or take possession of any of my/our assets or make an arrangement, compromise or composition with any of my/our creditors.
7. I/we have read and understood the Terms and make all the representations and warranties contained in clause 12 of the Deferred Purchase Agreement.
8. I/we declare that:
 - (a) I/we received this PDS in Australia and am/are made this offer in Australia;
 - (b) if signing as an attorney, the power of attorney authorises the signing of this Application Form and no notice of revocation has been received;
 - (c) I/we am/are not minor(s) and do not suffer from any other legal disability preventing the execution of this Application Form;

- (d) if signing in a capacity other than a personal capacity, in addition to being bound in that other capacity, I/we agree to be bound in an unlimited personal capacity;
 - (e) in the case of joint applicants, we agree to be jointly and severally bound;
 - (f) I/we have full legal capacity to complete and lodge this Application Form and have taken all action that is necessary to authorise this Application and be bound by the terms of this offer; and
 - (g) if I am/we are acting as trustee in relation to the holding of the Units (including acting as trustee for a superannuation fund), it is proper for me/us to apply for Units and to do everything that the PDS contemplates that I/we will do and those things do or will benefit the beneficiaries of the trust and I/we represent and warrant that I/we have all the power, authority and discretion vested as trustee to apply for and hold the Units.
9. I/we will not offer, sell, re-sell or deliver, directly or indirectly, any Units so purchased in any overseas jurisdiction or to any foreign persons, or for the account or benefit of any such foreign person, or to others for the offering, sale or re-sale or delivery in any overseas jurisdiction or to any such foreign persons where that offer, sale, resale or delivery would be in breach of any Australian or foreign law.
10. I/we acknowledge that Units in the UBSSAL PERLES+ – Series 15 and Series 16 are not a deposit obligation of UBSSAL and is subject to investment risks, including the possible loss of the Investment Amount invested, in the event of Early Maturity or UBSSAL Buy-Back.
11. By signing this Application Form, I/we:
- (a) agree to receive Financial Services Guides and supplementary Financial Services Guides from UBSSAL or its related entities (including UBS Securities Australia Limited) by having them made available via www.ubs.com/equitysolutions or such other internet website notified to me/us and represent and warrant that I/we have received in printable form and read and understood the Financial Services Guide of UBS Securities Australia Limited prior to signing this Application Form;
 - (b) represent that I/we have not relied in any way whatsoever on any statements made by, or purported to be made by, the Issuer or UBSSAL or their related entities or any of their respective servants, agents, employees or representatives in relation to this investment, other than as set out in the PDS and acknowledge that UBSSAL has not made, and the PDS does not contain, any representations to me/us with regard to the suitability or appropriateness of this investment in Units, given my/our investment objectives, financial situation or particular needs or the tax consequences of making this investment in Units;
 - (c) acknowledge that neither the Issuer nor UBSSAL or their related bodies corporate, affiliates, associates or officers:
 - (i) guarantees the performance of the UBSSAL PERLES+ – Series 15 and Series 16 Units;
 - (ii) guarantees that the UBSSAL PERLES+ – Series 15 and Series 16 Units will achieve a particular rate of return; or
 - (iii) guarantees the repayment of capital from an investment in the UBSSAL PERLES+ – Series 15 and Series 16 Units;
 - (d) understand that nothing in the PDS or Application Form can be considered investment advice or a recommendation to invest in Units;
 - (e) represent that I/we am/are Australian resident(s) for tax purposes;
 - (f) acknowledge that application moneys will only be accepted and any payments by UBSSAL will only be paid in Australian currency;
 - (g) acknowledge that an investment in Units is subject to investment risk and agree that those risks are appropriate for a person in my/our circumstances and with my/our investment objectives.
 - (h) represent and warrant that I am/we are not prohibited by law from being given the PDS and any replacement or supplementary document or making an Application;
 - (i) have read the terms of the PDS and note the obligations under the Anti-Money Laundering and Counter-Terrorism Act 2006 (AML/CTF Act) and Rules as summarised below;
 - (j) agree to give further information or personal details to us if required to allow us to meet our obligations under anti-money laundering, counter-terrorism and taxation legislation;
 - (k) declare that I am/we are not commonly known by any other names to those disclosed in this Application Form, unless I have disclosed otherwise to the Issuer and UBSSAL;
 - (l) declare that any document or information to be used for the purposes of this Application (whether or not provided on or with this Application) is complete and correct, is not misleading and I/we have not withheld any relevant information;
 - (m) acknowledge that it may be a criminal offence to knowingly provide false, forged, altered or falsified documents or misleading information or documents when completing an Application Form for the product.
 - (n) warrant that:
 - (iv) I/we are not aware and have no reason to suspect that:
 - a. the moneys used to fund my/our investment in the UBSSAL Perles+ Series 15 and Series 16 have been derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention or by agreement; or

- b. the proceeds of my/our investment will be used to finance any illegal activities; and
- (v) I am/We are not a politically exposed person or organisation;

12. I/we acknowledge that I/we have read and understood the declarations set out above in this Application Form, and by returning the Application Form together with my/our payment for the Investment Amount, I/we agree to be bound by them and make the declarations contained therein. I/we agree to indemnify UBSSAL and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of any such declaration set out in this Application Form proving to be untrue or incorrect.
13. I/we have read and understood the Privacy Policy in this PDS and agree that information about me/us written on this form will not be collected, used or disclosed for any purpose other than for the purposes stated in the PDS. Where I/we have provided information about any other individual, I/we will make that individual aware of the provisions of the privacy statement.
14. I/we agree that UBSSAL may disclose personal information about me/us to my/our Approved Adviser or other adviser and that once UBSSAL provides information to my/our Approved Adviser or other adviser, UBSSAL can no longer control the ways in which that information is used and I/we agree that UBSSAL is not liable for any loss, expense, damage, or claim directly or indirectly connected with any disclosure of information by UBSSAL to my/our Approved Adviser or other adviser, except to the extent required by law.

Privacy

The personal information we ask you to supply in this Application Form (other than your address, date of birth and information required by AML legislation) is not required by law but we may not be able to accept your Application if the information is not supplied. The personal information collected from you will not be used or disclosed except for a purpose set out below, or for a purpose related to one of the purposes set out below that you would reasonably expect, or where required or permitted by law. If at any time you wish to access the personal information held about you by UBSSAL, you are welcome to request that information by contacting UBSSAL.

- 1) I/we acknowledge that the personal information about me/us provided to UBSSAL in this Application Form may be used for any of the following purposes:
 - to assess whether to accept my/our Application;
 - to prepare any documentation relevant to, and to maintain, my/our investment in Units;
 - to effect investments in Units in my/our name(s);
 - to communicate with me/us in relation to the Units;
 - to comply with legislative or regulatory requirements;
 - to perform UBSSAL's administrative operations; and
 - for any other purpose identified in the PDS including for marketing purposes unless you mark the opt-out box below.
- 2) I/we agree and consent to UBSSAL:
 - giving personal information about me/us to:
 - a) UBSSAL's agents, contractors and external advisers;
 - b) regulatory bodies, government agencies, law enforcement bodies and courts; and
 - c) the entities in which investments are made and/or to any agents or contractors, for the purpose of administering my/our investment or administering or enforcing the Loan or Guarantee (if applicable);
 - collecting personal information about me/us from, and giving it to, my/our executor, administrator, trustee, guardian or attorney and my/our agents and representatives (including my finance broker, legal and financial adviser); and
 - providing my/our ABN to UBSSAL and its related entities,

even if the disclosure of my/our personal information is to an organisation overseas, regardless of whether or not such entity is subject to privacy obligations equivalent to those which apply to the Issuer or UBSSAL.
- 3) I/we represent that, if at any time I/we supply UBSSAL with personal information about another individual, I am/we are authorised to do so and agree to inform that individual of who UBSSAL are and of the matters set out in this section of the Application Form.

AML/CTF Act and Rules

UBSSAL aims to prevent, detect and not knowingly facilitate money laundering and terrorism financing. UBSSAL does this to comply with the AML/CTF Act and Rules. To meet its regulatory and compliance obligations under the AML/CTF Act, its contractual obligations and its internal due diligence requirements, UBSSAL will be implementing a number of measures and controls including carefully identifying, verifying and monitoring its investors and, where required by law, reporting any suspicious matters to the regulator, AUSTRAC.

We ask you to note:

- a) our right to collect and identify information and to verify documents under the AML/CTF Act and Rules;
- b) our right not to provide a designated service in certain circumstances;
- c) that transactions may be delayed, blocked, frozen or refused where reasonable grounds are established that the

- transaction breaches Australian law or sanctions, or the law or sanctions of any other country;
- d) that where transactions are delayed, blocked, frozen or refused, we are not liable for any loss you suffer (including consequential loss) as a result of our compliance with the AML/CTF Act as it applies to the product;
- e) from time to time during the term of your investment, you may be required to provide additional information to assist us in the above process;
- f) we have reporting obligations in relation to the AML/CTF regulatory regime and must report certain matters to AUSTRAC;
- g) that the tipping off prohibition requirements under the AML/CTF regulatory regime may prevent us from informing you that any such reporting has taken place; and
- h) that we may have other legal obligations to disclose the information gathered about you to regulatory and/or law enforcement agencies, including AUSTRAC and to other bodies, including a related company that forms part of our Designated Business Group (if any), if required by law.

Advisers

- (a) Advisers adding their Adviser Stamp to this Application Form provide the following acknowledgements and representations:
 - i) I acknowledge that I am either an Australian financial services licensee or an authorised representative of an Australian financial services licensee and that, in relation to this Application, I have only provided financial services that are within the scope of the Australian financial services licence applicable to me;
 - ii) I acknowledge that I have complied with the relevant disclosure requirements, including all relevant requirements in relation to the disclosure of fees, and any requirement to provide Product Disclosure Statements, Financial Services Guides, Statements of Advice or any other disclosures required by the Corporations Act;
 - iii) I represent that in compliance with the provisions of the AMP/CTF Act and Rules, I have taken the steps required to identify and verify the Applicant's identity (including the directors, beneficial owners and trustees listed in the Application Form) by checking and verifying the identity, nationality, residential address and signature of the Applicant, and any other relevant details, in compliance with the AML/CTF Act and Rules and any Distribution Agreement entered into for purposes of compliance with the AML/CTF Act and Rules;
 - iv) I represent that I have taken adequate steps to assist in the prevention of money laundering activities which steps may include, without limitation, identifying the Applicant's source of wealth and monitoring of any unusual transactions; and
 - v) I represent that I have assessed the suitability of this product and other relevant factors for the Applicant and have only recommended or distributed it as I consider it suitable for the Applicant, taking into account the Applicant's investment objectives, financial situation and particular needs.
- (b) **Adviser RCTI Agreement**—this section relates to supplies made by an Adviser (acting on behalf of the entity ("**Supplier**") that holds the requisite Australian Financial Services Licence) to UBSSAL in consideration of a placement fee, trail fee or other similar fee ("**Approved Adviser Fees**"). By completing the details below and affixing its stamp to this Application Form, and in consideration of the Approved Adviser Fees, the Adviser:
 - i) represents and warrants that it is authorised to enter into this agreement on the Supplier's behalf;
 - ii) represents and warrants that the Supplier is registered for ABN and GST purposes and that it will promptly notify UBSSAL if it ceases to be so registered; and
 - iii) agrees that UBSSAL may and will issue to the Supplier, self generated tax invoices (called "**Recipient Created Tax Invoices**" or "**RCTIs**") in respect of the supplies that the Supplier has made (or will make) to UBSSAL; and
 - iv) agrees that the Supplier will not issue tax invoices for those same supplies, except where first agreed in writing with UBSSAL.

UBSSAL declares that it is registered for GST purposes and that it will promptly notify the Adviser if it ceases to be so registered or if it ceases to be entitled to issue RCTIs.

UBSSAL or your Approved Adviser and/or its associates may wish to communicate with you in the future about other investment opportunities that may be of interest. Please tick this box if you do NOT wish to be contacted for this purpose.

☐

No thanks, I/we prefer NOT to be contacted about investment opportunities in the future.

Signature

Dated: _____

SIGNED, SEALED AND DELIVERED by:

(Individual Applicant, Joint Applicants or Individual Trustee Applicant)

First Applicant's Signature

Second Applicant's Signature

First Applicant's Name

Second Applicant's Name

(Company Applicant or Corporate Trustee Applicant) Executed by:

Company Name

Affix Company Seal (if you have one):



Director's Signature

Director/Secretary's Signature

Director's Name

Director/Secretary's Name

FORM B – DIRECT DEBIT REQUEST

****IMPORTANT NOTICE****

Bank account name(s) **must match** the Applicant name(s) given in part A of the Application Form and be signed by that person(s). In the case of joint accounts, both signatures are required.

Note that if a joint account holder is not listed in part A, you must provide their details below:

Full Name	Date of Birth	Country of Residence

If a company or corporate trust is applying then the account should be an account of the company or trust and this form must be signed by either the sole director (if there is only one) OR two directors or a director and secretary (if there are two or more).

Request and Authority to debit the account named below to pay UBS Securities Australia Limited

Request and authority to debit	<p>Surname / company name _____</p> <p>Given names / ACN / ABN _____ ("you")</p> <p>request and authorise UBS Securities Australia Limited (User ID number 181244 or 365034) to arrange, through its own financial institution, for any amount UBS Securities Australia Limited may debit or charge you to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below and paid to UBS Securities Australia Limited, subject to the terms and conditions of the Direct Debit Request Service Agreement in Section 12 of the PDS.</p>
Insert details of account to be debited	<p>Please note: The account name below must match the Applicant name(s) given in part A of the Application Form contained in the PDS (e.g. same individual name if an individual applicant or same company name if a company applicant)</p> <p>Name of account _____</p> <p>Financial institution name _____</p> <p>BSB number <u> </u><u> </u><u> </u> - <u> </u><u> </u><u> </u></p> <p>Account number <u> </u><u> </u><u> </u><u> </u><u> </u><u> </u><u> </u><u> </u><u> </u><u> </u></p>
Acknowledgment	<p><i>By signing this Direct Debit Request you acknowledge having read and understood and agree to the terms and conditions governing the debit arrangements between you and UBS Securities Australia Limited as set out in this Request and in your Direct Debit Request Service Agreement in Section 12 of the PDS.</i></p>
Insert your signature and address <p><i>If signing for a company please print full name and capacity for signing (eg. Director).</i></p> <p><i>In the case of joint accounts, BOTH signatures are required.</i></p>	<p>Signature: Applicant 1/(Sole) Director</p> <p>.....</p> <p>Address _____</p> <p>_____</p> <p>Signature: Applicant 2/Director/Company Secretary/Joint account holder</p> <p>.....</p> <p>Address _____</p> <p>_____</p> <p>Date ____ / ____ / ____</p>

Instructions for Investor Sale Form – Form C

THE INVESTOR SALE FORM IS TO BE USED IF YOU ARE AN INVESTOR AND WISH TO SELL UNITS PRIOR TO MATURITY. THIS INVESTOR SALE FORM SHOULD BE PROVIDED TO UBSSAL.

Please complete the Investor Sale Form in accordance with the following instructions.

Completing the Form

A. SELLER DETAILS – a Enter the name of the Seller here. This should be the name in which the Units are registered. Where the seller is a company, write the company name and ABN. Please provide your Client Reference Number if you have one.

Where the seller is a trustee, the Investor Sale Form must be completed in the name of the trustee and signed by the trustee without reference to the trust.

B. POSTAL ADDRESS – Enter your postal address here for all correspondence.

C. TELEPHONE AND EMAIL – Enter your telephone and email contact details here.

D. UNIT DETAILS – Please enter the total number of Units you wish to sell.

E. ACKNOWLEDGEMENT – Each seller must read this section.

F. SIGNATURE

Where the Investor Sale Form is executed by a company, it must be executed either in accordance with section 127 of the Corporations Act or under a power of attorney. Section 127 of the Corporations Act allows a company to execute a document with or without using a common seal if the document is signed by two directors, a director and company secretary or (if applicable) the sole director who is also the sole company secretary.

If the Investor Sale Form is signed under a power of attorney, the attorney by signing certifies that it has not received notice of revocation of that power of attorney. A certified copy of the power of attorney must be lodged with the Investor Sale Form.

Lodging the Form

Investor Sale Forms should be forwarded to the address at the top of the Investor Sale Form. Once you lodge the Investor Sale Form your request that UBSSAL buy-back your Units is irrevocable.

Sale of Units can only be made by completing and lodging an Investor Sale Form attached to this PDS. Investor Sale Forms must not be distributed (whether electronically or otherwise) by any person to any other person unless accompanied by or attached to a complete and unaltered copy of this PDS. A free copy of the non-electronic PDS is available from UBSSAL upon request.

FORM C – INVESTOR SALE FORM

Investor Sale Form – UBSSAL PERLES+ Series 15 and Series 16 - S&P/ASX200 Index

THIS FORM IS TO BE USED IF YOU ARE AN INVESTOR AND WISH TO SELL UNITS TO UBSSAL PRIOR TO MATURITY. THIS FORM SHOULD BE PROVIDED TO UBSSAL.

To: UBS Securities Australia Limited
Level 16, Chifley Tower
2 Chifley Square
Sydney NSW 2000
Attention: Equity Risk Management Products
Re: UBSSAL PERLES+ - Series 15 and Series 16

Please refer to the Instructions for the Investor Sale Form on the previous page.

I/We hereby apply for the following Units issued by UBSSAL pursuant to the relevant PDS to be transferred from me/us to UBSSAL:

A. Name of Seller (if a company, provide full name and ABN/ACN/ARBN):

Transferor Full Name/Company Name

Client Reference Number

B. Address Details:

Number and Street

Suburb, City or Town

State

Postcode

C. Telephone and Email Details:

Daytime Number
(include area code)

Contact Name

Email:

D. Details of the Units to be sold:

Investment	Number of Units to be Sold **
UBSSAL PERLES+ - Series 15	
UBSSAL PERLES+ - Series 16	

**** This must equal your total holding of Units.**

E. Acknowledgements:

I/We the registered holder(s) and seller(s) sell to UBSSAL for the above consideration the Units specified above, subject to the conditions on which I/We held those Units at the time of signing of this transfer. I/We have full legal power to sell the Units and do so free of any encumbrance or security (whether registered or not).

Dated: _____

(Individual Seller, Joint Seller or Individual Trustee Seller)

Second Seller's Signature

Second Seller's Name

Affix Company Seal (if you have one):

Director/Secretary's Signature

Director/Secretary's Name

Executed by and on behalf of (insert name of company):

Attorney Name

by its attorney in the presence of:

Witness's Name

Name of Buyer: UBS Securities Australia Limited, ABN 62 008 586 481

SIGNED for UBS Securities Australia Limited by its authorised representatives:

DATED: _____

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Directory

Issuer

UBS Securities Australia Limited
Level 16
Chifley Tower
2 Chifley Square
SYDNEY NSW 2000

Level 16
8 Exhibition Street
MELBOURNE VIC 3000

Issuer's Solicitors

Baker & McKenzie
Level 27
AMP Centre
50 Bridge Street
Sydney NSW 2000

Clayton Utz
1 O'Connell Street
SYDNEY NSW 2000



UBS Securities Australia Limited
ABN 62 008 586 481 AFSL 231098

Level 16
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Sydney NSW 2000

Level 16
8 Exhibition Street
Melbourne VIC 3000

INVESTOR ENQUIRY LINE 1800 633 100

www.ubs.com/equitysolutions