



UBS ETRACS Alerian MLP Index ETN

Profile

Issuer	UBS AG
Underlying Index	Alerian MLP Index
Initial Trade Date	7/18/2012
Maturity Date	7/18/2042
Annual Tracking Fee	0.80%, accrued on a daily basis
Primary Exchange	NYSE Arca
CUSIP	90267B682
Prospectus Supplement	Click here

ETN Ticker: AMU

Key Features

- Linked to the Alerian MLP Index
- Provides exposure to Master Limited Partnerships in the Oil and Gas sector

About the ETN

The ETRACS Alerian MLP Index ETN (NYSE: AMU) ("AMU" or the "ETN") is an Exchange Traded Note linked to the performance of the Alerian MLP Index. The ETN pays a variable quarterly coupon linked to the cash distributions, if any, on the Master Limited Partnerships ("MLPs") in the Alerian MLP Index, less investor fees.

Exchange-traded Notes are senior, unsecured, unsubordinated debt securities that provide investors with exposure to the total returns of various market indices, including those linked to stocks, bonds, commodities and/or currencies, less investor fees.

About the Underlying Index

The Alerian MLP Index (the "Index") is a composite of 50 publicly traded energy MLPs. The Index is calculated using a float-adjusted, capitalization-weighted methodology and is disseminated in real-time on a price-return basis (NYSE: AMZ). The Index inception date was June 1, 2006. The Index has no performance history prior to that date. The Index constituents are selected by GKD Index Partners.

Historical Returns as of 12/31/2018

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
ETRACS Alerian MLP Index ETN Total Return	-9.50%	-17.34%	-12.09%	-13.24%	-5.27%	-33.91%
Alerian MLP Total Return Index	-9.36%	-17.30%	-11.86%	-12.42%	-3.14%	-31.57%

Source: Bloomberg/Reuters. The historical returns shown above for periods greater than one year are annualized. Historical returns for periods less than one year are cumulative total returns for the stated periods. All historical returns are as of December 31, 2018 and are furnished as a matter of information only. Historical performance of the Index or the ETN is not an indication of future performance. Future performance of the Index or the ETN may differ significantly from historical performance, either positively or negatively. AMU is subject to investor fees. As a result, the total return on AMU will always be lower than the total return on the Index or the total return on a direct investment in the Index constituents.

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Top 10 Holdings

Magellan Midstream Partners LP (MMP)	10.23%
Enterprise Products Partners LP (EPD)	10.13%
Energy Transfer LP (ET)	9.83%
MLPX LP (MLPX)	8.83%
Plains All American Pipeline LP (PAA)	8.62%
Western Gas Partners LP (WES)	4.31%
Buckeye Partners LP (BPL)	4.31%
EQM Midstream Partners LP (EQM)	3.59%
Tallgrass Energy LP (TGE)	3.55%
Andeavor Logistics LP (ANDX)	3.45%

Source: Bloomberg/Reuters. As of December 31, 2018.

Market Cap	\$225,820,000
Shares Outstanding	16,130,000

Selected Risk Considerations

An investment in the ETNs involves risks. Selected risks are summarized here, but we urge you to read the more detailed explanation of risks described in the "Risk Factors" section of the prospectus supplement for the ETNs (the "ETRACS Prospectus"). Capitalized terms used below (and elsewhere in this document) but not defined herein shall have the meanings attributed to them in the ETRACS Prospectus.

- You may lose some or all of your principal** - The ETNs are fully exposed to any decline in the level of the Index, as measured by the VWAP Level. Because the Accrued Tracking Fee reduces your final payment, the level of the Index, as measured by the Final VWAP Level, as compared to the Initial VWAP Level, will need to increase by an amount at least equal to the percentage of the Principal Amount represented by the Accrued Tracking Fee and Redemption Fee Amount, if applicable, less any Coupon Amounts, any Stub Reference Distribution Amount and/or Adjusted Coupon Amount, as applicable, in order for you to receive an aggregate amount over the term of the ETNs equal to at least the Principal Amount of your ETNs. If the increase in the level of the Index, as measured by the Final VWAP Level, as compared to the Initial VWAP Level, is insufficient to offset the negative effect of the Accrued Tracking Fee and Redemption Fee Amount, if applicable, less any Coupon Amounts, any Stub Reference Distribution Amount and/or Adjusted Coupon Amount, as applicable, or if the level of the Index, as measured by the Final VWAP Level is less than the Initial VWAP Level, you will lose some or all of your investment at maturity or call, or upon early redemption.
- Market risk** - The return on the ETNs, which may be positive or negative, is linked to the return on the Index as measured by the Index Performance Ratio, and which, in turn, is affected by a variety of market and economic factors, interest rates in the markets and economic, financial, political, regulatory, judicial or other events that affect the markets generally.
- Credit of issuer** - The ETNs are senior unsecured debt obligations of the issuer, UBS, and are not, either directly or indirectly, an obligation of any third party. Any payment to be made on the ETNs, including any payment at maturity or upon early redemption, depends on the ability of UBS to satisfy its obligations as they come due. As a result, the actual and perceived creditworthiness of UBS will affect the market value, if any, of the ETNs prior to maturity, call or early redemption. In addition, in the event UBS were to default on its obligations, you may not receive any amounts owed to you under the terms of the ETNs.
- Payment based on VWAP Level** - The payment on the ETNs at maturity, call, or upon early redemption, will be based on the VWAP Level of the Index and not on the closing level of the Index, as specified in the ETRACS Prospectus. The VWAP Level of the Index will most likely differ from the closing level of the Index.
- You are not guaranteed a coupon payment** - You will not receive a coupon payment on a Coupon Payment Date if the Reference Distribution Amount is less than the Accrued Tracking Fee (which is based on the Annual Tracking Fee). Similarly, you will not receive a coupon payment on a Redemption Date or the Call Settlement Date if the Adjusted Reference Distribution Amount is less than the Adjusted Tracking Fee (which is based on the Annual Tracking Fee), and in the case of a redemption, the Redemption Fee Amount.
- Potential over-concentration in a particular industry** - There is only one industry - energy - related to the MLPs included in the Index. An investment in the ETNs will increase your portfolio's exposure to fluctuations in the energy industry.
- A trading market for the ETNs may not develop** - Although the ETNs are listed on NYSE Arca, a trading market for the ETNs may not develop. Certain affiliates of UBS may engage in limited purchase and resale transactions in the ETNs, although they are not required to and may stop at any time. We are not required to maintain any listing of the ETNs on NYSE Arca or any other exchange. In addition, we are not obliged to, and may not, sell the full aggregate principal amount of the ETNs. We may suspend or cease sales of the ETNs at any time, at our discretion.
- Minimum redemption amount** - You must elect to redeem at least 50,000 ETNs for UBS to repurchase your ETNs, unless we determine otherwise or your broker or other financial intermediary bundles your ETNs for redemption with those of other investors to reach this minimum requirement.

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- **Your redemption election is irrevocable** - You will not be able to rescind your election to redeem your ETNs after your redemption notice is received by UBS. Accordingly, you will be exposed to market risk in the event market conditions change after UBS receives your offer and the Redemption Amount is determined on the Redemption Measurement Date.
- **Uncertain tax treatment** - Significant aspects of the tax treatment of the ETNs are uncertain. You should consult your own tax advisor about your own tax situation.
- **UBS's call right** - UBS may elect to redeem all outstanding ETNs at any time on or after July 22, 2013, as described under "Specific Terms of the ETNs - UBS's Call Right" in the ETRACS Prospectus. If UBS exercises its Call Right, the Call Settlement Amount may be less than the Principal Amount of your ETNs.

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Disclosures and Important Information

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ETRACS ETNs are sold only in conjunction with the relevant offering materials. UBS has filed a registration statement (including a prospectus, as supplemented by a prospectus supplement for the offering of the ETRACS ETNs) with the Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read these documents and any other documents that UBS has filed with the SEC for more complete information about UBS and the offering to which this communication relates. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you can request the prospectus and the applicable prospectus supplement by calling toll-free (+1-877-387 2275). In the US, securities underwriting, trading and brokerage activities and M&A advisor activities are provided by UBS Securities LLC, a registered broker/dealer that is a wholly owned subsidiary of UBS AG, a member of the New York Stock Exchange and other principal exchanges, and a member of SIPC. UBS Financial Services Inc. is a registered broker/dealer and affiliate of UBS Securities LLC.

UBS AG has filed a registration statement (including a prospectus and a supplement thereto) with the Securities and Exchange Commission ("SEC") for the ETNs. Before you invest, you should read the prospectus supplement dated June 9, 2015 and the prospectus dated December 27, 2017 to understand fully the terms of the securities and other considerations that are important in making a decision about investing in the ETNs. The prospectus supplement for the ETNs may be obtained by clicking <http://etracs.ubs.com/docs/ussymbol/AMU/prospectus-supplement>. You may also get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. An investment in the ETNs is subject to a number of risks, including the risk of loss of some or all of the investor's principal, and is subject to the creditworthiness of UBS. Investors are not guaranteed any coupon or distribution amount under the ETNs. Investors should read the more detailed explanation of risks described under "Risk Factors" in the prospectus supplement for the ETNs.

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For questions or additional information about UBS ETRACS

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