

November 14, 2019

News Release

UBS files registration statement for eight ETRACS ETN Exchange Offers

November 14, 2019 – UBS AG announced today that it has filed a registration statement on Form F-4 to register proposed exchange offers (“Exchange Offers”) for eight ETRACS Series A ETNs (collectively, the “Series A ETNs”) for corresponding ETRACS Series B ETNs (collectively, the “Series B ETNs”), as set forth in Table-1 below.

Upon commencement of the Exchange Offers, UBS AG intends to offer holders of the Series A ETNs the ability to voluntarily exchange their Series A ETNs on a one-for-one basis for the corresponding Series B ETNs, which are intended to be economically identical. Each of the Series A and Series B ETNs subject to the Exchange Offers are currently listed on NYSE Arca.

Table-1

ETRACS Series A ETN (Ticker Name)		→	ETRACS Series B ETN (Ticker Name)	
AMU	ETRACS Alerian MLP Index ETN due July 18, 2042	→	AMUB	ETRACS Alerian MLP Index ETN, Series B due July 18, 2042
BDCL	2x Leveraged Long ETRACS Linked to the Wells Fargo Business Development Company Index due May 24, 2041	→	LBDC	2x Leveraged Long ETRACS Wells Fargo Business Development Company Index ETN Series B due May 24, 2041
BDCS	ETRACS Linked to the Wells Fargo Business Development Company Index due April 26, 2041	→	BDCZ	ETRACS Wells Fargo Business Development Company Index ETN Series B due April 26, 2041
CEFL	ETRACS Monthly Pay 2xLeveraged Closed-End Fund ETN due December 10, 2043	→	CEFZ	ETRACS Monthly Pay 2xLeveraged Closed-End Fund ETN Series B due December 10, 2043
DJCI	ETRACS Linked to the Bloomberg Commodity Index Total Return due October 31, 2039	→	DJCB	ETRACS Bloomberg Commodity Index Total Return ETN Series B due October 31, 2039
MLPI	ETRACS Linked to the Alerian MLP Infrastructure Index due April 2, 2040	→	MLPB	ETRACS Alerian MLP Infrastructure Index ETN Series B due April 2, 2040
MORL	ETRACS Monthly Pay 2xLeveraged Mortgage REIT ETN due October 16, 2042	→	MRRL	ETRACS Monthly Pay 2xLeveraged Mortgage REIT ETN Series B due October 16, 2042
UCI	ETRACS linked to the UBS Bloomberg Constant Maturity Commodity Index (CMCI) Total Return due April 5, 2038	→	UCIB	ETRACS UBS Bloomberg Constant Maturity Commodity Index (CMCI) Total Return ETN Series B due April 5, 2038

Upon effectiveness of the registration statement and commencement of the Exchange Offers, UBS AG expects to announce the specific deadlines for the Exchange Offers. **Holders will be able to tender their Series A ETNs only after the Exchange Offers are launched.** UBS AG currently expects that the Exchange Offers will remain open for approximately four months from commencement with multiple interim exchange deadlines and settlement dates throughout the offer period. This will reduce the amount of time that Series A ETNs are “locked up,” after the holders of the relevant Series A ETNs validly tender their ETNs for exchange.

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Each Series B ETN that is part of the Exchange Offers is intended to provide the same economic exposure as the corresponding Series A ETN, including identical underlying indices, daily Closing Indicative Values (CIV), investor fees, coupon amounts (if applicable) and payment formulas, in each case as set forth in the prospectus and applicable annex to the registration statement on Form F-4. The key difference between the Series A ETNs and the Series B ETNs is that UBS AG and UBS Switzerland AG are each co-obligors on all Series A ETNs, while UBS AG is the sole issuer and obligor on all Series B ETNs. UBS Switzerland AG has no obligations with respect to the Series B ETNs.

UBS AG is conducting the Exchange Offers in order to reduce the intercompany exposures of UBS Switzerland AG to UBS AG in line with regulatory recovery and resolution guidance.

UBS AG has a contractual right to redeem all Series A ETNs and, within a few months after the final expiration date of the Exchange Offers, UBS AG intends to exercise its contractual call right for any non-tendered Series A ETNs that were subject to the Exchange Offers. Following the completion of such redemptions, no Series A ETNs are expected to remain outstanding.

For more information on the ETNs included in the Exchange Offers, please see the prospectus included in the [Registration Statement on Form F-4](#).

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This press release shall not constitute an offer to sell or a solicitation of an offer to buy any of the securities that are part of the Exchange Offers. The Exchange Offers may be made solely pursuant to the terms and conditions described in the final prospectus and related annexes and letter of instruction, when available. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

A registration statement on Form F-4 (including a prospectus and annexes thereto) relating to the Exchange Offers and the related securities has been filed with the Securities and Exchange Commission but has not yet become effective. The Series B ETNs may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. Before you decide whether to participate in the Exchange Offers once such Exchange Offers are commenced, you should read the prospectus, along with the applicable annex attached thereto and the letter of instruction, and the documents incorporated by reference therein, to understand fully the terms of the securities and other considerations that are important in making a decision about investing in the ETRACS. The prospectus and applicable annexes and documents incorporated therein may be obtained without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you can request the prospectus and applicable annex and the letter of instruction by calling UBS toll-free (+1-877-387 2275). The Series B ETNs may not be sold in the Exchange Offers prior to the time the Registration Statement is declared effective by the SEC.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Information set forth in this news release contains forward-looking statements that are subject to risks and uncertainties, and actual results may differ materially. A discussion of factors that may affect future results is contained in UBS AG's filings with the Securities and Exchange Commission and in the registration statement related to the Exchange Offers and there is no assurance that UBS AG will actually commence and/or settle the Exchange Offers on the terms described herein or at all or that it will subsequently redeem the Series A ETNs. UBS disclaims any obligation to update or revise statements contained in this news release based on new information or otherwise.

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The securities related to the offerings are not deposit liabilities and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency of the United States, Switzerland or any other jurisdiction.

About ETRACS

ETRACS ETNs are senior unsecured notes issued by UBS AG, are traded on NYSE Arca, and can be bought and sold through a broker or financial advisor. **An investment in ETRACS 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 AG. Investors are not guaranteed any coupon or distribution amount under the ETNs. Prior to making an investment in the ETRACS ETNs, investors should take into account whether or not the market price is tracking the intraday indicative value of the ETNs. We urge you to read the more detailed explanation of risks described under "Risk Factors" in the applicable prospectus supplement, or product supplement and pricing supplement, for the ETRACS ETN.**

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UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS's strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in 50 countries, with about 31% of its employees working in the Americas, 32% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 18% in Asia Pacific. UBS Group AG employs over 67,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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