

Media release

Media release: December 11, 2013

UBS LAUNCHES EXCHANGE-TRADED NOTE WITH SIGNIFICANT MONTHLY INCOME POTENTIAL AND 2X LEVERAGED EXPOSURE TO A CLOSED-END FUND INDEX

ETRACS Monthly Pay 2xLeveraged Closed-End Fund ETN

New York, December 11th, 2013 – UBS Investment Bank announced that today is the first day of trading on the NYSE Arca® for the [ETRACS Monthly Pay 2xLeveraged Closed-End Fund ETN \(NYSE: CEFL\)](#). CEFL is linked to the monthly compounded 2x leveraged performance of the **ISE High Income™ Index** (the “Index”), reduced by investor fees.

CEFL Profile

Income Potential	Variable monthly coupon linked to 2 times the cash distributions, if any, on the Index constituents
2x Index Yield ¹	19.40%
Underlying Index	ISE High Income™ Index
Leverage	2x leverage that is reset monthly, not daily

CEFL Offers Investors:

- **Significant income potential in the form of a variable monthly coupon** linked to 2 times the cash distributions, if any, on the Index constituents. If the Index constituents do not make distributions, then investors will not receive any coupons.
- **Monthly compounded 2x leveraged exposure to an index comprised of 30 closed-end funds** that vary by asset class, investment strategy, asset manager and investment region.
- **Potential for price appreciation** as the closed-end funds in the Index are selected, in part, on the basis of their share price discount from net asset value.

“The index tracked by CEFL selects and ranks the 30 component closed-end funds on the basis of their income yield and their discount from NAV,” said Paul Somma, Senior ETRACS Structurer. “So CEFL is expected to provide investors significant income potential, as well as the opportunity for price appreciation, all by way of a single, exchange-traded security.”

About the ISE High Income™ Index

The **ISE High Income™ Index** (the “Index”) measures the performance of 30 U.S. closed-end funds, as selected and ranked by the Index sponsor in accordance with the Index methodology. To be eligible for inclusion in the Index, a fund must be domiciled in the U.S., be listed on a U.S. securities exchange and satisfy minimum market capitalization and liquidity requirements. Each eligible fund is ranked in descending order in accordance with a multivariate ranking scheme based on three factors: yield; share price discount from net asset value; and trading liquidity, with the 30 highest-ranking funds included in the Index. The Index constituent weights are determined by a modified linear weighting methodology that results in higher-ranked funds receiving a greater Index weighting than lower-ranked funds. The Index is rebalanced yearly to ensure that Index constituents do not exceed Index target weightings. The Index is a price return index (i.e., the reinvestment of dividends is not reflected in the Index; rather, any cash distributions on the Index constituents are reflected in the variable monthly coupon that may be paid to investors of CEFL). **The Index was created on April 11, 2013 and, therefore, has no performance history prior to that date.**

Asset Managers Represented in the Index*

AllianceBernstein	Calamos	First Trust	Invesco
Allianz / PIMCO	Clough	GAMCO	Nuveen
BlackRock	Eaton Vance	ING	Wells Fargo

* Managers listed above are either advisors to or actual portfolio managers of one or more Index constituents.

Source: International Securities Exchange, LLC, as of November 30, 2013

Top 10 Index Constituents

Name	Ticker	% Weight
Eaton Vance Enhanced Equity Income Fund II	EOS	4.90%
Eaton Vance Tax-Managed Diversified Equity Income Fund	ETY	4.81%
AllianzGI NFJ Dividend, Interest & Premium Strategy Fund	NFJ	4.76%
Eaton Vance Tax-Managed Global Diversified Equity Income Fund	EXG	4.68%
Eaton Vance Tax-Managed Global Buy-Write Opportunities Fund	ETW	4.67%
BlackRock Global Opportunities Equity Trust	BOE	4.61%
BlackRock Enhanced Capital and Income Fund, Inc.	CII	4.58%
BlackRock Enhanced Equity Dividend Trust	BDJ	4.56%
BlackRock International Growth and Income Trust	BGY	4.55%
Eaton Vance Tax-Managed Buy-Write Opportunities Fund	ETV	4.53%

Source: International Securities Exchange, LLC, as of November 30, 2013

Footnotes

¹ This figure is equal to 2 times the Index Yield calculated as of November 30, 2013 by the sponsor of the Index, International Securities Exchange, LLC. **Investors are not guaranteed any coupon or distribution amount under the ETN.**

About ETRACS

For further information about ETRACS ETNs, go to www.etracs.com.

ETRACS ETNs are exchange-traded notes, an innovative class of investment products offering access to markets and strategies that may not be readily available to investors, and offer unique diversification opportunities in a number of different sectors. ETRACS ETNs may offer:

- Access to asset classes with historically low correlations to more traditional asset classes
- Convenience of an exchange-traded security
- Transparent exposure to a published index

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Media Enquiries

	Judi Flynn-Echeverria	+1 917-902 9726
New York:	Megan Stinson	+1 212-713 1302

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