



# Portfolio Notes

Linked to the [Reitway Active Global Property Note](#) (the "Notes")  
Issued by UBS AG, London Branch



Cash settled  
ISIN: ZAE000285458

## Indicative Terms

THE TERMS AND CONDITIONS OF THE NOTES (THE "CONDITIONS") SHALL COMPRISE THE BASE CONDITIONS (AS SET OUT IN THE INFORMATION MEMORANDUM OF UBS AG DATED 16 SEPTEMBER 2019 (AS SUPPLEMENTED, UPDATED OR REPLACED, THE "INFORMATION MEMORANDUM")), SUBJECT TO COMPLETION AND/OR AMENDMENT IN THE RELEVANT FINAL TERMS IN RESPECT OF THE CERTIFICATES. PROSPECTIVE INVESTORS SHOULD REVIEW SUCH DOCUMENTATION CAREFULLY WHEN AVAILABLE.

THIS TERMSHEET IS INDICATIVE ONLY, AND IS SUBJECT TO THE MORE DETAILED TERMS SET OUT IN THE FINAL TERMS. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE FINAL TERMS AND THIS TERMSHEET, THE FINAL TERMS SHALL PREVAIL.

THE RISK FACTORS RELATING TO THE NOTES AND RELATING TO THE ISSUER ARE SET OUT IN THE INFORMATION MEMORANDUM REFERRED TO ABOVE, AS SUPPLEMENTED BY THE ADDITIONAL RISK FACTORS IN ANNEX II TO THE FINAL TERMS.

THE NOTES ARE LINKED TO A BASKET OF EQUITIES. HOLDERS SHALL NOT HAVE ANY BENEFICIAL, PROPRIETARY OR OTHER INTEREST IN THE BASKET OR ANY CONSTITUENT THEREOF, AND NO CHARGE, MORTGAGE, PLEDGE, LIEN OR OTHER SECURITY OR QUASI-SECURITY INTEREST IS BEING GRANTED IN CONNECTION WITH THE NOTES.

THIS PRODUCT DOES NOT REPRESENT A PARTICIPATION IN ANY OF THE COLLECTIVE INVESTMENT SCHEMES PURSUANT TO ART. 7 SS OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (CISA) AND THUS IS NOT SUBJECT TO THE SUPERVISION OF THE SWISS FEDERAL BANKING COMMISSION (EIDGENÖSSISCHE BANKENKOMMISSION). THEREFORE, INVESTORS IN THIS PRODUCT ARE NOT ELIGIBLE FOR THE SPECIFIC INVESTOR PROTECTION UNDER THE CISA.

THIS DOCUMENT AND ANY OF ITS SUPPLEMENT(S) ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE A SOLICITATION FOR INVESTMENTS FROM MEMBERS OF THE PUBLIC IN A COLLECTIVE INVESTMENT SCHEME IN TERMS OF THE SOUTH AFRICAN COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002 (AS AMENDED) ("CISCA") AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC AS CONTEMPLATED IN SECTION 99 OF THE COMPANIES ACT, 2008 (AS AMENDED). A POTENTIAL INVESTOR WILL BE CAPABLE OF INVESTING IN THE PRODUCT ONLY UPON CONCLUSION OF THE APPROPRIATE INVESTMENT AGREEMENTS AND PROVIDED THE RELEVANT INVESTOR COMPLIES WITH ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS. THIS DOCUMENT AND ANY ATTACHMENTS THERETO CONSTITUTE FACTUAL, OBJECTIVE INFORMATION ABOUT THE PRODUCT AND NOTHING CONTAINED HEREIN SHOULD BE CONSTRUED AS CONSTITUTING ANY FORM OF INVESTMENT ADVICE OR RECOMMENDATION, GUIDANCE OR PROPOSAL OF A FINANCIAL NATURE IN RESPECT OF THE PRODUCT OR ANY TRANSACTION IN RELATION THERETO. THE MANAGERS OF THE PRODUCT ARE NOT FINANCIAL SERVICES PROVIDERS IN SOUTH AFRICA AND NOTHING IN THIS DOCUMENT SHOULD BE CONSTRUED AS CONSTITUTING THE CANVASSING FOR, OR MARKETING OR ADVERTISING OF FINANCIAL SERVICES BY THE MANAGERS OF THE PRODUCT IN OR INTO SOUTH AFRICA.

## 1. Description of the Product

Reference Portfolio The Reitway Active Global Property Note (the "**Reference Portfolio**") is a notional South African Rand ("**ZAR**" or the "**Reference Portfolio Currency**") denominated reference portfolio, created, actively managed and maintained by the Reference Portfolio Advisor in accordance with the provision in the description of the Reference Portfolio (the "**Reference Portfolio Description**") in Annex 1.

The Reference Portfolio aims to replicate the performance of:

- (i) long only positions in stocks (each a "**Stock Constituent**") comprised in the Stock Investment Universe,
  - (ii) long only positions in exchange-traded funds (ETFs) (each an "**ETF Constituent**") comprised in the ETF Investment Universe,
- all of the above together referred to as the "**Constituents**", combined with,
- (iii) a cash position denominated in the Reference Portfolio Currency (the "**Cash Position**"),

which together with the Constituents shall be referred to as the "**Reference Portfolio Components**". The performance of the Reference Portfolio will be net of the relevant fees and costs described herein.

The Cash Position will accrue interest at the prevailing reference rate (the "**Reference Rate**"), as described in Annex 1, which may be negative from time to time.

The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be ZAR 100.00 per Note on the Pricing Date.

Whilst the Redemption Amount is linked to the market value of the Reference Portfolio Components, the Issuer is not obliged to invest the proceeds of the issuance of the Notes in any Reference Portfolio Component at any time and the holders of the Notes do not have any direct interest in, or beneficial ownership in any Reference Portfolio Component at any time.

### Product Details

Security Identification	ISIN: ZAE000285458
Product Long Name	UBS URETGP 18Mar25
Product Short Name	UBS URETGP
Alpha Code	URETGP
Issue Size	Up to 1,000,000 Units (with reopening clause)
Initial Reference Portfolio Level	The Reference Portfolio Level (as defined below) as of the Pricing Date
Issue Price	ZAR 100.00 per Note (100% of Initial Reference Portfolio Level) (unit quotation)
Specified Denomination	ZAR 100.00
Specified Currency	ZAR
Settlement	Cash Settlement
Currency Treatment	The Reference Portfolio may be exposed to Constituents denominated in currencies other than the Specified Currency. <b>The currency risk is not hedged.</b>
Dividend Treatment	For long positions in Stock Constituents, a notional amount reflecting net dividends of the Stock Constituents, as converted into the Reference Portfolio Currency, where such Stock Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that Stock Constituent.  For long positions in ETF Constituents, a notional amount reflecting net dividends of the ETF Constituents, as converted into the Reference Portfolio Currency, where such ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that ETF Constituent.  In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Specifically, a 30% withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2018.

The Issuer will treat the Products as specified equity-linked instruments that are subject to withholding on dividend equivalents. The Issuer will withhold 30% in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts with respect to any such taxes withheld. In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax as referenced under the Dividend Treatment section of this Certificate. The Issuer hereby notifies each holder that for purposes of Section 871(m), the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Products on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and Revenue Procedure 2017-15 §3.03(B), as applicable. Investors in the Products should consult their own tax advisors regarding the application of the withholding tax to their Products and the availability of any reduction in tax pursuant to an income tax treaty. No assurance can be given that investors in the Products will be able to successfully claim a reduction in tax pursuant to an income tax treaty.

#### Dates

Pricing Date (" <b>Pricing</b> ")	19 March 2020
Issue Date	20 March 2020
Last Trading Day	17 March 2025
Expiration Date (" <b>Expiry</b> ")	18 March 2025 (subject to Market Disruption Events provisions, Early Termination, Automatic Early Termination, Stop Loss Event provisions and Unwind Disruption provisions), subject to extension at the option of the Issuer on two separate occasions, on each such occasion for an additional 5 years period (from the initial scheduled Expiration Date stated above or from the extended Expiration Date when relevant, each such date the " <b>Original Expiration Date</b> "), with a notice period of 14 calendar days prior to the relevant Original Expiration Date.

With respect to an extension of the term in accordance with the above paragraph, the Investor may, in respect of 100% of the Notes it owns, elect to redeem such Notes on the Maturity Date following the relevant Original Expiration Date (and the relevant Notes shall be redeemed on such date at the Redemption Amount) (such option for the Investor, the "**Expiration Extension Termination Option**") by providing notice to the Issuer between the Last Date to Trade and the relevant Original Expiration Date.

Provided in each case, that if the initial scheduled or relevant extended Expiration Date is not a Constituents Business Day, then the first following day that is a Constituents Business Day shall apply.

The Issuer shall notify each Investor in the Notes of changes to the Expiration Date in accordance with the provisions set out above on each day falling 14 calendar days prior to (i) the Original Expiration Date; and (ii) any date falling 90 calendar days prior to the relevant Original Expiration Date on which the Issuer may elect to extend the Original Expiration Date in accordance with the provisions above.

Maturity Date	The third Business Day immediately following the Expiration Date, the Early Termination Date, the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) or the Automatic Early Termination Date (in any case subject to Market Disruption Event provisions).
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#### Redemption

Redemption Amount	Each Note entitles the Investor to receive on the Maturity Date an amount per Note in the Specified Currency (the " <b>Final Redemption Amount</b> "), equal to the Redemption Amount.
Redemption Amount	An amount calculated by the Calculation Agent, according to the following formula:

$$\text{Specified Denomination} \times \text{Max} \left( 5\% ; \frac{\text{Final Reference Portfolio Level}}{\text{Initial Reference Portfolio Level}} \right)$$

Where:

**"Final Reference Portfolio Level"** means the Reference Portfolio Level on the Expiration Date, the Early Termination Date, the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) or the Automatic Early Termination Date, as applicable; and

**"Initial Reference Portfolio Level"** means the Reference Portfolio Level on the Pricing Date.

For the purposes of the above, **"Reference Portfolio Level"** means the value of the Reference Portfolio as determined by the Calculation Agent on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (as applicable) and subject to Unwind Disruption, as the sum of:

- i) the sale proceeds, as converted into the Specified Currency where applicable, using the prevailing exchange rate, as determined by the Calculation Agent in its reasonable discretion, that would be realized by a notional investor (in the same position as the Issuer) when selling and/or, as the case may be, unwinding the prevailing Constituents comprising the Reference Portfolio; and
- ii) the value of the Cash Position minus any accrued but not yet deducted Adjustment Fee and/or Reference Portfolio Fee.

In the event that a notional investor (in the same position as the Issuer) would be unable to unwind its investment in the Constituents by the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable (such event an **"Unwind Disruption"**), the Issuer reserves the right to postpone the Expiration Date, the Early Termination Date or the Automatic Early Termination Date in accordance with the Market Disruption Events provisions below.

**Please note that the Redemption Amount may be less than the initially invested capital.**

#### Early Termination by Issuer

The Issuer is entitled to terminate the Notes early in full for an amount equal to the Redemption Amount on the relevant Maturity Date subject to the following notice period:

Quarterly, i.e. as of each 30 June, 30 September, 31 December and 31 March of each year (the **"Early Termination Date"**), subject to at least 45 Business Days prior notice being given to the Investors (provided in each case if such day is not a Constituents Business Day, then the immediately following Constituents Business Day shall be the Early Termination Date). The first possible Early Termination Date will be 30 June 2020. There is no early termination right for the investor in the Notes.

#### Automatic Early Termination

Should the Reference Portfolio Advisor cease to be or to act as the Reference Portfolio Advisor, the Notes will be terminated (the **"Automatic Early Termination"**) for an amount equal to the Redemption Amount on the third Business Day following the date on which the Reference Portfolio Advisor no longer is or acts as the Reference Portfolio Advisor (provided if such day is not a Constituents Business Day, then the immediately following Constituents Business Day shall apply) (the **"Automatic Early Termination Date"**), as determined at the reasonable discretion of the Calculation Agent. No notice period shall apply in that case.

#### Stop Loss Event

A **"Stop Loss Event"** shall be deemed to occur if on any calendar day during the period from and including the Pricing Date to and including the Expiration Date (and regardless of the duration of time during which such circumstances exist) the Reference Portfolio Level is equal to or below the Stop Loss Level, as determined in the reasonable discretion of the Calculation Agent.

Subject to the Notes not having already been redeemed early and/or cancelled, if a Stop Loss Event occurs, the Issuer shall redeem all of the Notes then outstanding on the Stop Loss Event Redemption Date at their Stop Loss Event Redemption Amount.

For these purposes:

**"Stop Loss Event Determination Date"** means the date on which a Stop Loss Event occurs;

**"Stop Loss Event Redemption Amount"** means an amount per Note in the Specified Currency equal to the aggregate Stop Loss Unwind Proceeds divided by the number of Notes then outstanding, as calculated by the Calculation Agent;

**"Stop Loss Event Redemption Date"** means the third Constituents Business Day immediately following a Stop Loss Event Determination Date;

**"Stop Loss Level"** means ZAR 25.00 per Note multiplied by the number of Notes outstanding; and

**"Stop Loss Unwind Proceeds"** means the net proceeds received by the Issuer (if any, subject to a minimum of ZAR 5.00 per Note multiplied by the number of Notes outstanding

and subject to the Unwind Disruption provisions) from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes, on or after the Stop Loss Event Determination Date (which could be, as determined in the sole and absolute discretion of the Issuer, based on the level of each Constituent comprised in the Reference-Portfolio), as determined in the reasonable discretion of the Calculation Agent.

Reference Portfolio Level

Except on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the Calculation Agent shall calculate the Reference Portfolio Level in its own reasonable discretion in respect of each Business Day, subject to a Market Disruption Event (each a "**Reference Portfolio Calculation Date**").

The Reference Portfolio Level in respect of each Reference Portfolio Calculation Date is the sum of (i) the closing price or value of each Constituent on such Reference Portfolio Calculation Date, and (ii) the value of the Cash Position.

For the avoidance of doubt, the Reference Portfolio Level in respect of the Expiration, Early Termination Date or Automatic Early Termination Date, as applicable, shall be calculated by the Calculation Agent in accordance with the provisions under "**Redemption Amount**" above.

**Fees**

Reference Portfolio Advisor Fee (calculated daily)	The Reference Portfolio Advisor will receive a quarterly fee of 0.100% (0.40% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level on a pro-rata daily basis as determined by the Calculation Agent.
Issuer Management Fee (calculated daily)	The Issuer will receive a quarterly fee of 0.225% (0.90% per year) of the Reference Portfolio Level, deducted from the respective Reference Portfolio Level on a pro-rata daily basis by the Calculation Agent.
Reference Portfolio Fee	The sum of the Reference Portfolio Advisor Fee and the Issuer Management Fee.
Adjustment Fee	An Adjustment Fee is levied for each Rebalancing, as defined in Annex 1, made in the Reference Portfolio and represents a percentage of the notional volume of each of the purchase and/or sale of a Constituent. The Adjustment Fee equals 0.10%.  The Adjustment Fee shall be deducted from the Cash Position.  For the avoidance of doubt, unwind costs to determine the Final Reference Portfolio Level shall constitute Adjustment Fees.  <b>The Adjustment Fees fully remain with the Issuer.</b>
Distribution Fee	None

**Product Structure**

The Product allows for participation in the performance of the Reference Portfolio, which is calculated net of relevant fees and costs. The Reference Portfolio is a notional actively managed portfolio, created and maintained by the Reference Portfolio Advisor.

**General Information**

Issuer	UBS AG, acting through its London Branch
Issuer Rating	Aa3 (Moody's) / A+ (S&P's) / AA- (Fitch)  This is the long term credit rating of the Issuer and it does not represent ratings of the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The Notes will not be rated.
Issuer Supervisory Authority	Swiss Financial Market Supervisory Authority (FINMA). London Branch additionally Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA).
Calculation Agent	UBS AG, London Branch
Manager	UBS South Africa (Pty) Ltd
South African Transfer Agent	UBS South Africa (Pty) Ltd
South African Paying Agent	First Rand Bank Limited, acting through its division, First National Bank
Listing	Application will be made to admit the Notes to listing on the Main Board of the Johannesburg Stock Exchange.
Public Offering	None

Reference Portfolio Advisor	<p><b>ABSA Bank Limited</b></p> <p>Please note that the Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. The Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.</p> <p>The Reference Portfolio Advisor will delegate the management of the Reference Portfolio to <b>Reitway Global (Pty) Ltd.</b> (the "<b>Delegated Reference Portfolio Advisor</b>"). More information about Reitway Global (Pty) Ltd can be found at <a href="http://www.reitwayglobal.com">www.reitwayglobal.com</a>. Reitway Global (Pty) Ltd is regulated by the Financial Services Conduct Authority (Licence No. 43747).</p> <p>Please note that the Delegated Reference Portfolio Advisor may not only act as Delegated Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, which may induce potential conflicts between investors' interests and Delegated Reference Portfolio Advisor's interests. The Delegated Reference Portfolio Advisor has implemented any measures required to fully mitigate such potential conflict of interest.</p>
Reference Portfolio Advisor Supervisory Authority	The Reference Portfolio Advisor is regulated by the South African Reserve Bank ("SARB") (Registration No. 1986/004794/06).
Delegated Reference Portfolio Advisor Supervisory Authority	The Delegated Reference Portfolio Advisor is regulated by the Financial Services Conduct Authority (Licence No. 43747).
Business Days	Any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, Johannesburg.
Constituents Business Day	Any day on which (i) in respect of the Constituents, the Exchange and Related Exchange are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular weekday closing time and (ii) the Calculation Agent is open for business.
Exchange	The primary stock exchange on which the Constituents are listed and publicly quoted and traded, as determined by the Calculation Agent from time to time.
Related Exchange	Means the principal exchange (if any) on which options or futures contracts relating to the Constituents are traded or quoted, as determined by the Calculation Agent.
Secondary Market	The Issuer or the Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices.
Minimum Investment	1 Note
Clearing	The Notes will be cleared through the CSD (Strate Proprietary Limited)
Form of Notes	Registered Form
Governing Law	English Law
Product	One ZAR denominated Note unit is equivalent to one (1) " <b>Product</b> ". " <b>Products</b> " wherever used herein shall be construed to mean integral multiples of the same, subject to the issue size.

### **Adjustments and Disruption Events**

Adjustments and Disruption Events	The Final Terms of the Notes include provisions setting out certain adjustments that may be made to the Reference Portfolio and to the terms of the Notes in the event that any day should be a Disrupted Day or if an FX Disruption Event or an Unwind Disruption Event has occurred (each as determined below). Prior to agreeing to purchase the Notes, you should be familiar with these provisions.
Disrupted Day	Any Business Day on which the Calculation Agent determines that trading and/or transactions in the relevant Constituent or Eligible Constituent, as the case may be, is or are adversely affected (including without limitation where trading and/or transactions are limited by reason of illiquidity, any circumstances of market or trading disruption or the unavailability for any reason of any quote, official price or valuation in relation to the relevant Constituent or Eligible Constituent).
FX Disruption Event	Means (i) an event that generally makes it illegal, impossible, impractical or inadvisable to convert one unit of the currency in which any non-ZAR denominated Constituent is denominated (the " <b>Denomination Currency</b> ") into the Specified Currency, or an event that generally makes it impossible to deliver the Specified Currency from accounts in which they are held to accounts outside of the jurisdiction of the Denomination Currency; or (ii) the general unavailability to exchange the Specified Currency at a spot rate (applicable to the purchase of the Specified Currency for the Denomination Currency) in any legal

	currency exchange market in the principal financial centre for the Denomination Currency, if, in the determination of the Calculation Agent, the occurrence of any such events is material.
Unwind Disruption Event	Means, in respect of any date, the Issuer or a Notional Investor would be unable to unwind its investments, in any Constituent(s) on or by such date.
	For the purposes of the above, " <b>Notional Investor</b> " means a hypothetical person with obligations similar to those of the Issuer in respect of the Notes, who has elected to hedge those obligations.

## 2. Prospects of Profits and Losses

The following section is for indicative purposes and only provides an overview of the prospects of profits and losses. For detailed information, prospective investors should refer to the provisions of the Notes.

Market Expectations	Investors in these Notes expect the Reference Portfolio to trade positively over the life of the Notes.
Effect of the performance of the Underlying on the Redemption Amount:	
<ul style="list-style-type: none"> <li>Positive Performance</li> </ul>	If the Reference Portfolio performs positively, Investors realise a positive return.
<ul style="list-style-type: none"> <li>Sideways to slightly negative performance</li> </ul>	If the Reference Portfolio performs sideways to slightly negative, Investors fully participate in the negative performance of the Reference Portfolio. Investors may lose some of their investment.
<ul style="list-style-type: none"> <li>Pronounced negative performance</li> </ul>	If the Reference Portfolio performs negatively, Investors may lose some or all of their investment.
Profit potential	The profit potential is unlimited. The Product allows for full participation in the positive performance of the Reference Portfolio, as adjusted by fees and costs as described in more detail herein.
Loss potential	Investors may lose some or all of the investment as they are fully exposed to the negative performance of the Reference Portfolio as well as to currency risks where the as the currency risk is not hedged.

## 3. Significant Risks For Investors

General risk warning	Potential Investors should understand the risks associated with an investment in the Product and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Product in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and (iii) the Reference Portfolio Components. The following is a summary of the most significant risks. Further risks are set out in the Product Documentation.
Risk Tolerance	Investors in this Product should be experienced investors and familiar with both derivative products and the general markets as well as with the investment management abilities of the Reference Portfolio Advisor.  Investors must be willing to make an investment that is fully exposed to the performance of the Reference Portfolio, meaning that Investors might lose their whole investment in the Product in the worst case. Furthermore, Investors should be aware that the Reference Portfolio may contain Constituents denominated in currencies other than the Specified Currency. <b>The currency risk is not hedged.</b> In addition, Investors should be aware that the Issuer is entitled to redeem the Product early.

### Product Specific Risks

Capital Protection (at Expiry)	None, but the product has a floor at ZAR 5.00 per Note
Risk Potential in comparison to a direct investment in the Underlying	The risk potential is similar to a direct investment in the assets contained in the notional Reference Portfolio.
Issuer Call right	Yes; additionally, an Automatic Early Termination or a Stop Loss Event Redemption Date may occur.
Stop Loss Event	Yes
Currency risk	As the Specified Currency is different from the currency in which some or all assets contained in the notional Reference Portfolio are denominated, the value of this product is exposed to the corresponding FX exchange rates.
Disruption Event	The Final Terms of the Notes includes detailed provisions setting out when Disruption Events may occur.  A Disruption Event may lead to (i) a postponement of the Expiration Date, the Early Termination Date, the Automatic Early Termination Date or the Stop Loss Event Redemption Date, as applicable, and therefore of the Redemption Amount, (ii) the use of an alternative method for determining any Constituent level and/or (iii) to the unilateral determination of the applicable Constituent level by the Calculation Agent.  Such postponement, use of alternative price source and/or determination of the applicable

	Constituent level by the Calculation Agent may affect, materially or otherwise, the Redemption Amount which the Investor will receive.
Risks specific to exchange traded funds	<p>Regarding the performance of exchange traded funds (ETFs), investors should also note the following risks specific to ETFs:</p> <ul style="list-style-type: none"> <li>(i) market risk: Investment aim of most ETFs is to track the performance of indices, market sectors, or groups of assets such as stocks, bonds or commodities. Investors are subject to risk of loss and volatility associated with the underlying index/assets. The net asset value (NAV) of the ETF will change with changes in the market value of the underlying securities or other assets it holds.</li> <li>(ii) tracking error risk: The performance of the ETFs may deviate from the underlying index, market sectors or assets. This may be due to the impact of fees and expenses incurred to the ETFs, currency differences, the replication strategy of the ETF, and/or the failure of such strategy.</li> <li>(iii) foreign exchange risk: Assets and securities of an ETF may be denominated in a currency that differs from the currency in which the ETF's NAV and/or the product is denominated. Accordingly, any fluctuation in the relevant exchange rates will affect the value of the underlying securities and assets of the ETF as well as the NAV of the ETF, which in turn may affect the market value of the product.</li> <li>(iv) liquidity risk: The ETF may be less liquid than the underlying securities it tracks and as a result, an investor could be exposed to greater liquidity risk in the event of early termination than if the product is linked directly to the underlying securities.</li> <li>(v) trading at discount or premium: An ETF may be traded at discount or premium to its NAV and such price discrepancy is caused by supply and demand factors. This may arise during the periods of high market volatility and in particular, where index/market that the ETF tracks is subject to direct investment restrictions.</li> </ul>
Illiquidity risk in secondary market	The Issuer or the Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for the Notes on a regular basis. However, the Issuer or the Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for the Notes, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices.
Calculation Agent's discretion	The Calculation Agent has a broad discretionary authority to make various determinations and adjustments under the Notes, any of which may have an adverse effect on the value and/or the amounts payable under the Notes. Prospective investors should be aware that any determinations made by the Calculation Agent may have an impact on the value and financial return of the Notes. Where the Calculation Agent is required to make a determination it may do so without taking into account the interests of the holders of the Notes.
Withholding tax	Investors in this Product should note that any payment under this Product may be subject to withholding tax (such as, inter alia, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). <b>Any payments due under this Product are net of such tax.</b> Please refer to the General Terms and Conditions for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.



#### 4. Additional Information

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##### **Selling Restrictions**

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Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

##### Europe

The Final Terms will be prepared on the basis that any offer of Certificates in the European Economic Area ("EEA") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (the "Prospectus Regulation") from the requirement to publish a prospectus for offers of the Certificates. Accordingly any person making or intending to make an offer in the EEA of the Certificates may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Certificates in any other circumstances.

##### South Africa

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Manager for that Tranche of Notes will be required to represent and agree that it will not offer or solicit any offers for subscription or sale of the Notes in that Tranche of Notes, and will itself not sell Notes, in South Africa except, in accordance with the Companies Act, the Banks Act, 1990, the Exchange Control Regulations and/or any other applicable laws or regulations of South Africa in force from time to time. In particular, without limitation, the Information Memorandum does not, nor is it intended to, constitute a registered prospectus (as that term is defined in the Companies Act) and each Manager for that Tranche of Notes will be required to represent and agree that it will not make "an offer to the public" (as that term is defined in the Companies Act) of any of the Notes (whether for subscription or sale). Notes will not be offered for subscription to any single addressee acting as principal for an amount of less than R1 000 000.

##### UK

For the purpose of non-discretionary accounts, this Product should not be sold with a consideration of less than EUR 100,000 or equivalent.

##### USA

This Product may not be sold or offered within the United States or to U.S. persons.

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## Annex 1 – Reference Portfolio Description Document

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### 1. General information about the Reference Portfolio

The Reitway Active Global Property Note (the "**Reference Portfolio**") is a notional South African Rand ("**ZAR**" or the "**Reference Portfolio Currency**") denominated reference portfolio, created, actively managed and maintained by ABSA Bank Limited (the "**Reference Portfolio Advisor**").

The Reference Portfolio aims to replicate the performance of:

- (i) long only positions in stocks (each a "**Stock Constituent**") comprised in the Stock Investment Universe,
- (ii) long only positions in exchange-traded funds (ETFs) (each an "**ETF Constituent**") comprised in the ETF Investment Universe, all of the above together referred to as the "**Constituents**", combined with,
- (iii) a cash position denominated in the Reference Portfolio Currency (the "**Cash Position**"), which together with the Constituents shall be referred to as the "**Reference Portfolio Components**". The performance of the Reference Portfolio will be net of the relevant fees and costs described herein.

The Cash Position will accrue interest at the prevailing reference rate (the "**Reference Rate**"), as described herein, which may be negative from time to time.

The Reference Portfolio Advisor has created the Reference Portfolio by selecting the initial Constituents (the "**Initial Constituents**") on 19 March 2020 (the "**Pricing Date**"). The Initial Constituents are listed in Section 3 below. The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be ZAR 100.00 per Note on the Pricing Date.

The Reference Portfolio Advisor is responsible for adjusting the composition of the Reference Portfolio from time to time thereafter (any such adjustment a "**Rebalancing**") in accordance with Section 4 below. Certain limitations apply as to the composition of the Reference Portfolio from time to time as described in such section.

The level of the Reference Portfolio (the "**Reference Portfolio Level**") is calculated in the Reference Portfolio Currency, net of fees and costs associated with the creation, maintenance and management of the Reference Portfolio, as described in Section 5 below.

The Calculation Agent may adjust the composition of the Reference Portfolio from time to time to account for corporate actions in respect of the Constituents and other similar events, as described in Section 6 below.

Whilst the Redemption Amount is linked to the market value of the Reference Portfolio Components, the Issuer is not obliged to invest the proceeds of the issuance of the Notes in any Reference Portfolio Component at any time and the holders of the Notes do not have any direct interest in, or beneficial ownership in any Reference Portfolio Component at any time.

Unless otherwise specifically provided herein, terms used in this document shall have the meanings given to such terms in, and shall be interpreted in accordance with, the terms and conditions of the relevant product linked to the Reference Portfolio.

### 2. Reference Portfolio Investment Universe, title selection criteria and investment restrictions

The Reference Portfolio, whose composition may vary from time to time, is actively managed by the Reference Portfolio Advisor and represents a notional investment in the Reference Portfolio Components as described in detail in the following. The Reference Portfolio Advisor is not allowed to select any additional securities, assets, exposures or contracts for inclusion in the notional Reference Portfolio apart from the ones that are part of the Investment Universes described below. The Reference Portfolio Advisor may select any securities, assets, exposures or contracts from the Investment Universes for inclusion in the notional Reference Portfolio (with such securities, assets, exposures or contracts becoming "Constituents" after inclusion in the Reference Portfolio) in its reasonable discretion pursuant and subject to the provisions contained in this document.

#### 2.1 Stock Constituents

The Reference Portfolio may reference as Stock Constituents long positions in stocks from the universe described below (the "**Stock Investment Universe**").

Stocks that form part of the following indices at the time of Rebalancing may be incorporated as Stock Constituents in the Reference Portfolio (each an "**Eligible Stock Constituent**"):

- (i) Global Property Research 250 REIT Index (Bloomberg ticker: REITGLOB Index)
- (ii) FTSE EPRA / NAREIT Developed Rental Index Net Total Return (Bloomberg ticker: RNGR Index)

For long positions in Stock Constituents, a notional amount reflecting net dividends of the Stock Constituents, as converted into the Reference Portfolio Currency, where such Stock Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that Stock Constituent.

In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Eligible Stock Constituents from the Stock Investment Universe may be selected in the sole discretion of the Reference Portfolio Advisor pursuant and subject to the provisions contained in this document. The Calculation Agent may retain the right to reject the inclusion of any Eligible Stock Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 4 ("**Rebalancing of the Reference Portfolio**") below.

## 2.2 ETF Constituents

The Reference Portfolio may reference as ETF Constituents long positions in certain ETFs from the universe described below (the "**ETF Investment Universe**").

ETF Constituents	Bloomberg Ticker
iShares S&P / TSX Capped REIT ETF	XRE CN Equity

For long positions in ETF Constituents, a notional amount reflecting net dividends of the ETF Constituents, as converted into the Reference Portfolio Currency, where such ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion, will be paid into the Cash Position on the ex-dividend date of that ETF Constituent.

In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended.

Eligible ETF Constituents from the ETF Investment Universe may be selected in the sole discretion of the Reference Portfolio Advisor pursuant and subject to the provisions contained in this document. The Calculation Agent may retain the right to reject the inclusion of any Eligible ETF Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 4 ("**Rebalancing of the Reference Portfolio**") below.

## 2.3 Cash Position

From time to time, the notional Reference Portfolio may also contain a Cash Position as a Reference Portfolio Component, which represents a notional holding of a cash account denominated in the Reference Portfolio Currency and accruing interest at the prevailing reference rate (the "**Reference Rate**"), which can be negative from time to time.

The Reference Rate is observed on every Business Day and shall be equal to the South Africa Rand Overnight Deposit Rate (Bloomberg page: RAONON <Index>) (the "**Relevant Screen Page**"), which for the avoidance of doubt may be negative from time to time.

If the Relevant Screen Page is not available, the Reference Rate shall be the equivalent rate as displayed on the corresponding page of another financial information service. If the Reference Rate is no longer displayed in one of these forms, the Calculation Agent is entitled to specify at its reasonable discretion a successor Reference Rate calculated on the basis of the standard market practices applicable at that time as the Reference Rate.

The value of the Cash Position will thereafter be positively or negatively affected by deductions and any Rebalancing, as described in Section 2 and 4 herein. Finally, the Cash Position will be negatively impacted by the deduction of certain fees as described in Section 5 below.

The Cash Position may be notionally reinvested into Constituents from time to time, in the reasonable discretion of the Reference Portfolio Advisor.

## 2.4 Investment Restrictions

Eligible Constituents as well as Constituents may be selected by the Reference Portfolio Advisor for notional purchase or, as the case may be, sale or unwind in accordance with the following investment restrictions (the "**Investment Restrictions**"):

- (i) The Weight of the Cash Position shall at all times be greater than -5%.
- (ii) The sum of the Weights of all Constituents is capped at a maximum of 100% (the "**Leverage Threshold**") at all times during the lifetime of the product. In case the sum of the Weights of all Constituents exceeds the Leverage Threshold, the Calculation Agent is entitled to notionally sell Constituents at its reasonable discretion until the sum of the Weights of all Constituents is smaller than or equal to 95%. In respect of such notional sales of such Constituents, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such Constituents with effect from the date of such Constituents' notional sale.
- (iii) The Weight of any single ETF Constituent is capped at 5%.

- (iv) The Holdings of each ETF Constituent is capped at a maximum of 25% of the assets under management of such ETF Constituent, as determined by the Calculation Agent in its reasonable discretion (the "**Concentration Threshold**") at all times during the lifetime of the product. In case the Holdings of an ETF Constituent exceed the Concentration Threshold, the Calculation Agent is entitled to notionally sell such ETF Constituent at its reasonable discretion until the Holdings of such ETF Constituent are smaller than or equal to the Concentration Threshold. In respect of such notional sales of such ETF Constituent, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such ETF Constituent with effect from the date of the notional sale of such ETF Constituent.

**For the avoidance of doubt: The responsibility and legal duty that the Reference Portfolio complies with the above guidelines is solely with the Reference Portfolio Advisor.**

## **2.5 Additional Definitions**

**"Weight"** means, with respect to the Pricing Date or any Business Day and pertaining to a Stock Constituent, to an ETF Constituent, and/or to the Cash Position, the notional value of such Stock Constituent, and/or ETF Constituent, as converted into the Reference Portfolio Currency, where such Stock Constituent, and/or ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, divided by the Reference Portfolio Level, both as determined by the Calculation Agent in its reasonable discretion.

**"Holdings"** means, with respect to the Pricing Date or any Business Day and pertaining to an ETF Constituent, the Weight of such ETF Constituent, multiplied by the Reference Portfolio Level and by the prevailing number of outstanding Notes, all as determined by the Calculation Agent in its reasonable discretion.

### 3. Initial Composition of the Reference Portfolio

The Reference Portfolio was created on the Pricing Date with an opening value of ZAR 100.00 per Note. On the Pricing Date, the Constituents were as set out below.

Bloomberg Ticker	Reference Portfolio Component	Currency	Weight
ZAR CASH	Cash	ZAR	100.00%
<b>TOTAL</b>			<b>100.00%</b>

The current composition of the Reference Portfolio (including the respective Weights) may be requested free of charge at any time from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com).

### 4. Rebalancing of the Reference Portfolio

4.1 A Rebalancing may be initiated by the Reference Portfolio Advisor on any Business Day following the Pricing Date, effective as soon as reasonably practicable, as determined by the Calculation Agent in a commercially reasonable manner (such day, a "**Reference Portfolio Adjustment Date**"), subject to the occurrence of a Market Disruption Event on such Constituents Business Day. However, no more than 252 Rebalancings may be initiated in any 12 month period starting with the Pricing Date and reset on each anniversary of the Pricing Date. The expected number of Rebalancings in any such 12 month period is 252.

For the avoidance of doubt, a single Rebalancing may comprise of a change to more than one Constituent, and therefore a change in the position of multiple Constituents which were the result of a single Rebalancing instruction by the Reference Portfolio Advisor shall be considered as one Rebalancing.

4.2 On any Business Day, the Reference Portfolio Advisor may, as it deems appropriate in its reasonable discretion, give notice to the Calculation Agent not later than 5 p.m. CET for European orders and 7 p.m. CET for all other orders, of its intention to initiate a Rebalancing on such day (a "**Rebalancing Notice**"), and effective as soon as reasonably practicable, as determined by the Calculation Agent in a commercially reasonable manner. Save as the Calculation Agent may otherwise agree, a Rebalancing Notice shall not be effective if, at the time of such Rebalancing Notice is received, a Rebalancing in respect of any Rebalancing Notice received earlier on such Business Day has not yet been completed or otherwise rejected. For the purposes hereof, a Rebalancing is deemed completed upon notification by the Calculation Agent to the Reference Portfolio Advisor, with respect to the relevant Rebalancing, of the relevant Notional Net Acquisition Cost of each Eligible Constituent notionally included in the Reference Portfolio, the Notional Net Disposal Value(s) of each Constituent notionally removed from the Reference Portfolio and the Weight of each Constituent notionally comprised in the Reference Portfolio following the relevant Rebalancing as provided in sub-Section 4.6 below.

4.3 The Calculation Agent will determine the exact number of Constituents based on prevailing market conditions, including exchange rates when relevant, in its reasonable discretion. Such number may deviate from the exact Weight recommended by the Reference Portfolio Advisor.

4.4 On each Reference Portfolio Adjustment Date, notional debits and credits to the Cash Position shall be made as follows:

- (i) In respect of the notional purchase of an Eligible Stock Constituent, and/or of an Eligible ETF Constituent, a notional debit shall be made to the Cash Position corresponding to the Notional Net Acquisition Cost of such Eligible Stock Constituent, and/or Eligible ETF Constituent, with effect from the date of the notional purchase of such Eligible Stock Constituent, and/or Eligible ETF Constituent; and
- (ii) In respect of the notional sale or unwind of a Stock Constituent, and/or of an ETF Constituent, a notional credit (which may be equal to zero) shall be made to the Cash Position corresponding to the Notional Net Disposal Value (which may be equal to zero) of such with effect from the date of the notional sale of such Stock Constituent, and/or ETF Constituent.

4.5 The Calculation Agent is entitled but has no legal duty to refuse the notional purchase of any Eligible Constituent and/or the notional sale or unwind of any Constituents and to require the Reference Portfolio Advisor to initiate a Rebalancing in certain circumstances, as follows:

- (i) The Reference Portfolio Advisor has selected an asset for inclusion in the notional Reference Portfolio which is not part of the Investment Universes;
- (ii) The Reference Portfolio is, or following the relevant Rebalancing would breach any of the Investment Restrictions or any other rule or provision contained herein;
- (iii) A Market Disruption Event has occurred in respect of the relevant Eligible Constituent or Constituent on the relevant Reference Portfolio Adjustment Date;
- (iv) A FX Disruption Event has occurred in respect of the relevant Eligible Constituent or Constituent on the relevant Reference Portfolio Adjustment Date;

- (v) The Calculation Agent determines that a Hedging Disruption Event has occurred in relation to any Constituent or Eligible Constituent. In this paragraph, "**Hedging Disruption Event**" means the determination by the Calculation Agent that it would not be reasonably practicable or it would otherwise be undesirable, for any reason, for a notional Investor wholly or partially to establish, re-establish, substitute or maintain any hedging transaction which in the determination of the Calculation Agent would be necessary or desirable to hedge the obligations of an issuer of securities linked to the performance of the Reference Portfolio (such reasons may include, but are not limited to (i) any material illiquidity in the market for any Constituent or Eligible Constituent, (ii) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or (iii) the general unavailability of market participants who would agree to enter into any such hedging transaction on commercially reasonable terms or at all; and
- (vi) The Calculation Agent determines that it would not be reasonably practicable for a notional Investor in the same position as the Issuer to make purchases and/or sales or unwind of any Eligible Constituent or Constituent, as the case may be, due to compliance, regulatory, reporting or reputational constraints, take-over considerations, internal restrictions or lack of internal approval.

In the event that the Calculation Agent requires the Reference Portfolio to initiate a Rebalancing such that the Reference Portfolio complies with the foregoing, the Reference Portfolio Advisor shall, as soon as is reasonably practicable and without undue delay, initiate a Rebalancing such that the Reference Portfolio complies with the foregoing as at the immediately following Reference Portfolio Adjustment Date. The Reference Portfolio Advisor has no right to object to such Rebalancing required by the Calculation Agent.

**For the avoidance of doubt: Notwithstanding the entitlements of the Calculation Agent under this paragraph, the sole responsibility and legal duty to manage the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.**

- 4.6 As soon as is reasonably practicable after receipt of an effective Rebalancing Notice on a Reference Portfolio Adjustment Date, and subject to any rejection pursuant to sub-Section 4.5 above, the Calculation Agent shall notify the Reference Portfolio Advisor of (a) the Notional Net Acquisition Cost and Notional Net Disposal Value applicable to each Eligible Constituent and/or Constituent that is subject to the Rebalancing and (b) the Weight of each Constituent comprised in the Reference Portfolio as a result of the Rebalancing. Upon receipt by the Reference Portfolio Advisor of such notice from the Calculation Agent, the Rebalancing shall be binding and conclusive on the Reference Portfolio Advisor in the absence of manifest error.

For the avoidance of doubt, a proposed Rebalancing shall be effective only if and to the extent that the Calculation Agent, on the Reference Portfolio Adjustment Date on which the relevant Rebalancing Notice is given, notifies to the Reference Portfolio Advisor the information mentioned in (a) and (b) above. Should a proposed Rebalancing not be fully effective on a Reference Portfolio Adjustment Date, the Reference Portfolio Advisor will be required to deliver one or more further Rebalancing Notices in accordance with the provisions hereof to execute the remainder of the initially proposed Rebalancing.

- 4.7 In this Section:

- (i) "**Notional Net Acquisition Cost**" means, in relation to an Eligible Stock Constituent, and/or an Eligible ETF Constituent, the notional price (including any applicable Adjustment Fee) at which the Calculation Agent determines that a notional Investor would be able to purchase or otherwise acquire such Eligible Stock Constituent, and/or Eligible ETF Constituent (where applicable, on the relevant Exchange) at execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency where such Eligible Stock Constituent, and/or Eligible ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion; and
- (ii) "**Notional Net Disposal Value**" means, in relation to an Eligible Stock Constituent, and/or an Eligible ETF Constituent, the notional price (net of any applicable Adjustment Fee) at which the Calculation Agent determines that a notional Investor would be able to sell or otherwise realise or dispose of such Eligible Stock Constituent, and/or Eligible ETF Constituent (where applicable, on the relevant Exchange) at execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency, where such Eligible Stock Constituent, and/or Eligible ETF Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing exchange rate, each as determined by the Calculation Agent in its reasonable discretion.

## 5. Fees and Costs applicable to the Reference Portfolio

The Reference Portfolio is calculated net of fees and costs described under the "Fees" definition in section 1 ("**Description of the Product**") of this document.

## 6. Adjustments of the Reference Portfolio

If, at any time, any event occurs in relation to any Constituent which the Calculation Agent determines requires any adjustment(s) to be made to the composition of the Reference Portfolio, then the Calculation Agent shall (i) determine which adjustment(s) are to be made to

the Reference Portfolio with a view to account for the effect of the relevant event and to preserve the prevailing composition of the Reference Portfolio immediately prior to the occurrence of such event and (ii) determine the date on which such adjustment(s) shall take effect.

**For the avoidance of doubt: Notwithstanding the entitlements of the Calculation Agent under this paragraph, the sole responsibility and legal duty to manage the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.**