

GBP 6.00% p.a. Kick-In GOAL

Linked to Brent Crude Oil

Issued by UBS AG, Jersey Branch

Cash settled; Quanto Style

SVSP / EUSIPA Product Type: Barrier Reverse Convertible (1230)

Valor: 11406087 ISIN: CH0114060871



Indicative Termsheet

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ff of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA (this paragraph is relevant to public offerings in Switzerland only).

1. Description of the Product

Information on Underlying

Underlying	Bloomberg Ticker	Initial Level	Strike Level	Kick-In Barrier
Brent Crude Oil	CO1 <Comdty>	[111.70]	[111.70] (100%)	[83.76-88.80] (75%-79.50%)

Product Details

Security Numbers	Valor: 11406087 / ISIN: CH0114060871 / WKN: UU09KB
Issue Size	Up to GBP 10,000,000 (with reopening clause)
Denomination / Nominal	GBP 1,000
Issue Price	100% (percentage quotation)
Settlement Currency	GBP (Quanto)
Coupon Payment	6.00% p.a., paid in arrears. Coupon Payment per Denomination will be GBP 15.00 on the relevant Coupon Payment Date(s) For tax purposes the Coupon Payment is split into two components: 0.4303% interest component 5.5697% premium component
Quoting Type	Secondary market prices are quoted in percentage and clean; accrued interest is NOT included in the price.
Quanto Style	The Redemption is not subject to the GBP/USD exchange rate.

Dates

Launch Date	20 November 2012
Subscription Period	Until 06 December 2012, 17:00 CET (Please note that the Subscription Period might be closed earlier or later, if market conditions change or if maximum size is reached)
Pricing Date ("Pricing")	06 December 2012 (or when the subscription period ends)
Issue Date / Payment Date	13 December 2012
Coupon Payment Date(s)	13 March 2013

Contact: UBS AG, P.O. Box, 8098 Zürich **Private Investors:** Please contact your client advisor or send an email to derivatives@ubs.com

Internet: www.ubs.com/keyinvest **Banks and Intermediaries:** +41-44-239 76 76*

Please note that calls made to the numbers marked with an asterisk (*) may be recorded. Should you call one of these numbers, we shall assume that you consent to this business practice.

Last Trading Date / Time	06 March 2013, 17:15 CET
Expiration Date ("Expiry")	06 March 2013 or if such date is not an Exchange Business Day, the next following Exchange Business Day (subject to Market Disruption Event provisions).
Redemption Date / Maturity Date	13 March 2013 (subject to Market Disruption Event provisions).

Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency, according to the following scenarios:

Scenario 1	If a Kick-In Event has NOT occurred , the Investor will receive 100% of the Nominal in cash.
Scenario 2	<p>If a Kick-In Event has occurred and</p> <p>1) If the Expiration Value of the Underlying is at or above the Strike Level, the Investor will receive 100% of the Nominal in cash.</p> <p>2) If the Expiration Value of the Underlying is below the Strike Level, the Investor will receive an amount in cash according to the following formula:</p> $\frac{\text{Underlying}(\text{FinalLevel})}{\text{Underlying}(\text{InitialLevel})} \times \text{Nominal}$ <p>Where:</p> <p>Underlying (InitialLevel) = As specified in the table "Information on Underlying" in column "Initial Level" above</p> <p>Underlying (FinalLevel) = Commodity Reference Price for the Underlying on the relevant Expiration Date</p> <p>The Coupon Payment is due in any case.</p>
Kick-In Event	A Kick-In Event shall be deemed to occur if on any Kick-In Observation Date, the Commodity Reference Price of the Underlying is at or below the respective Kick-In Barrier, as reasonably determined by the Calculation Agent.
Kick-In Observation Date	Any Exchange Business Day during the period from and including the Pricing Date to and including the Expiration Date
Expiration Value	The Commodity Reference Price of the Underlying on the Expiration Date as determined by the Calculation Agent.
Commodity Reference Price	Specified Price per Unit of the Underlying, stated in the relevant Currency, and published by the Rate Source
Rate Source	<p>Underlying Commodity: Brent Crude Oil</p> <p>(Bloomberg Ticker: CO1 <Comdty>)</p> <p>Specified Price: The official settlement price of the Futures Contract for the Delivery Date</p> <p>Delivery Date: Front Month</p> <p>Exchange: ICE-ICE Futures Europe</p> <p>Unit: Barrel</p> <p>Currency: USD</p>
Front Month	The delivery date will be the "first nearby month" (i.e. the first futures contract traded on the Relevant Exchange to expire following the given day the Commodity Reference Price is observed), provided that if such date is the same or subsequent to the First Notice Date or Last Trade Date, then it will be the second nearby month (i.e. the second futures contract traded on the Relevant Exchange to expire following the given day the Commodity Reference Price is observed).
Last Trade Date	The last trading day of a given futures contract as commonly understood in the market as

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applying to such futures contract and, in the event of any dispute, shall be the date specified by the Calculation Agent determined in good faith.

First Notice Date

The first date on which a party to a given futures contract may demand delivery of the underlying commodity, as commonly understood in the market as applying to the futures contract and, in the event of any dispute, shall be the date specified by the Calculation Agent determined in good faith.

Product Structure

The Kick-In GOAL is a product that provides a fixed coupon and the redemption is linked to the performance of the Underlying. As long as no Kick-In Event has occurred, the Investor will in any event receive 100% of the Nominal in cash. Otherwise, the Investor will receive

- 100% of the Nominal in cash, if the Underlying closes at or above the Strike Level; or
- A value reflecting the performance of the Underlying, if the Underlying closes below the Strike Level on the Expiration Date.

The Coupon will be paid out in any scenario. The Product offers a relatively high coupon in return for not profiting from gains above the Strike Level and for taking the risk of a (total) loss potential equivalent to a direct investment in the Underlying.

General Information

Issuer	UBS AG, Jersey Branch
Issuer Rating	A2 Moody's / A S&P's / A Fitch
Lead Manager	UBS Limited
Calculation Agent	UBS AG, London Branch
Paying Agent	UBS AG, Zurich
Related Exchange	ICE-ICE Futures Europe
Listing	None
Secondary Market	Daily price indications will be available on Reuters; www.ubs.com/keyinvest and Telekurs from 10:00-18:00 CET.
Interest Calculation	30/360
Business Days	New York and London
Business Day Convention	Where any date is used in conjunction with the term "Business Day Convention", an adjustment will be made if that date would otherwise fall on a day that is not a Business Day, so that the date will be the first following day that is a Business Day. Investors shall not be entitled to further interest or other payments in respect of such delay.
Minimum Investment	GBP 1,000
Minimum Trading Lot	GBP 1,000
Status	Unsecured / Unsubordinated
Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of Deed	Uncertificated Securities
Governing Law / Jurisdiction	Swiss / Zurich
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. Detailed information on such adjustments is to be found in the Product Documentation.
Product	One Kick-In GOAL unit is equivalent to one (1) "Product". "Products" wherever used herein shall be construed to mean integral multiples of the same, subject

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to the issue size.

Public Offering

From 20 November 2012: Switzerland
From 21 November 2012: Germany, Netherlands, Sweden, Finland, Luxembourg, Austria, Norway, Spain, UK

Tax Treatment Switzerland

Bond floor at issue	100.00% (GBP 1,000.00 per Nominal)
Swiss Federal Stamp Duty	Secondary market transactions are not subject to Swiss stamp duty.
Swiss Federal Income Tax	For tax purposes this product is qualified as a combination of an option and bond, where the majority of the return of the bond part is in the form of a discount or of one payment on redemption date (IUP). For private investors with tax domicile in Switzerland the increase of the value of the bond part (according to the "Modifizierte Differenzbesteuerung") at sale or maturity is subject to Swiss federal as well as cantonal and communal income tax. Such an investor is taxed on the difference between the bond floor at purchase* and the bond floor at sale or redemption*. However, any gain derived from the option is considered as capital gain and is therefore for such investors subject to neither Swiss federal nor cantonal and communal income tax. * each to be converted into CHF at the prevailing exchange rate at purchase and sale or redemption (if applicable).
Swiss Withholding Tax	The product is not subject to the Swiss Withholding Tax.
EU Savings Tax	For Swiss paying agents, the interest component of the payment is subject to the EU savings tax (TK6).

The tax information only provides a general overview of the potential Swiss tax consequences linked to this Product at the time of issue. Tax laws and tax doctrine may change, possibly with retroactive effect.

Product Documentation

Base Prospectus Equity (registered with BaFin and EUPD compliant).

Final Terms

This document serves as and fulfils the requirements of a 'Simplified Prospectus' in accordance with Art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA). The Simplified Prospectus together with the Base Prospectus Equity ("BP") and the respective Final Terms shall form the documentation for this Product ("Product Documentation"), and accordingly the Simplified Prospectus should always be read in conjunction with these documents. The terms "Product" respectively "Investor" as used in this Simplified Prospectus correspond to the terms "Note"/"Certificate" respectively "Securityholder" as defined in the BP. During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at 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 (swissprospectus@ubs.com). In addition, for clients outside of the United Kingdom, the Product Documentation is available on the internet at www.ubs.com/keyinvest.

Notices in connection with this Product shall be validly given by publication in electronic media such as Reuters and/or Telekurs. In addition, any changes with regard to the terms of this Product shall be published on the internet at

www.ubs.com/keyinvest.

Classification

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 does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA (this paragraph is relevant to public offerings in Switzerland only).

Furthermore, this Product does not benefit from any depositor protection under Art. 37b under the Swiss Federal Law on Banks and Savings Banks (Banking Act) or other forms of deposit insurance under any other law as might be applicable to this Product.

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Prudential Supervision

UBS AG is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). In addition, its London Branch is authorised and regulated by the Financial Services Authority (FSA) and its Jersey Branch by the Jersey Financial Services Commission (JFSC).

2. Prospects of Profits and Losses

Market Expectation	Investors in this Product expect the Underlying to trade flat to slightly negative or positive over the life of the Product. In any case the Investors expect that no Kick-In Event will occur.
Risk Tolerance	Investors in this Product should be experienced investors and familiar with both derivative products and the commodity markets. Although the Investors benefit from a predefined, regular coupon payment, they must be willing to make an investment that is exposed to the full down-side risk of the Underlying.
Profit Potential	The profit potential is limited to the coupon payment.
Loss Potential	The Investors may lose some or all of the investment as they are fully exposed to the performance of the Underlying. A high coupon can indicate a higher risk, in that the rate of the coupon relative to the rate of the risk-free return indicates the overall risk of the product.

3. Significant Risks for Investors

For product specific risks please see above (2. Prospects of Profits and Losses)

Risk Factors relating to the Issuer

In addition to the market risk with regard to the development of the Underlying, each Investor bears the general risk that the financial situation of the Issuer could deteriorate. The Products constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank pari passu with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer's creditworthiness may affect the value of the Products. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's.

The Issuer Ratings indicated in this document reflect the situation at the time of issuance and may be subject to changes. The actual Issuer Ratings at any given time can be seen on the Issuer's website (www.ubs.com) under "Analysts & Investors".

Secondary Market

The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and 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. Potential Investors therefore should not rely on the ability to sell this Product at a specific time or at a specific price.

In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices may be temporarily expanded, in order to limit the economic risks of the Issuer.

Market Risk

The investor is exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), adjustments and early termination which could have an impact on the redemption amount through delay in payment or change in value. For a detailed description of such events and their effects please read the General Terms and Conditions.

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Important Information

This information is communicated by UBS AG and/or its affiliates ("UBS"). UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the transaction to which this document relates. UBS may provide investment banking and other services to and/or have officers who serve as directors of the companies referred to in this document. UBS' trading and/or hedging activities related to this transaction may have an impact on the price of the underlying asset and may affect the likelihood that any relevant barrier is crossed. UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

In certain circumstances UBS sells this Product to dealers and other financial institutions at a discount to the issue price or rebates to them for their account some proportion of the issue price. Further information is available on request.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction you should consult with your own legal, regulatory, tax, financial and accounting advisors to the extent you consider it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon your own judgement and advice from those advisers you consider necessary. Save as otherwise expressly agreed in writing, UBS is not acting as your financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment will be exclusively subject to the detailed provisions, including risk considerations, contained in the Product Documentation.

UBS makes no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without UBS' prior written permission.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Products described herein, save where explicitly stated in the Product Documentation. The Products must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Product may arise for the Investor that are not paid by UBS or imposed by it.

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Selling Restrictions

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 - Any public offer of this Product within a EEA jurisdiction (EU member states plus Norway, Iceland and Liechtenstein) shall only be possible if compliant with the requirements of the EUPD and with the law of that jurisdiction.

If the prospectus either does not qualify as a prospectus published in accordance with the requirements of the EUPD or is not filed with or notified to the relevant Financial Supervisory Authority, this Product may not be offered or sold in EEA jurisdictions other than 1) in minimum denominations of, or total consideration per investor of at least, EUR 50,000 (or equivalent in other currencies), provided that the offer is only being made in one or more EEA jurisdiction that will not, before the end of the offer period for the Notes, have implemented the provision under the Directive 2010/73/EU (the "PD Amending Directive") that increases this minimum denomination (or total consideration per investor) to EUR 100,000; or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 or, if the relevant EEA jurisdiction has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons that are not Qualified Investors per EEA jurisdiction. "Qualified Investors" are persons or entities as defined in the Prospectus Directive.

For information on public offering in EEA jurisdictions please see under section "General Information" above.

Hong Kong – Each purchaser has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Products, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Products which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of this Product may not be circulated or distributed, nor may this Product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Cap. 289) of Singapore ("SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where this Product is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant of an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276 (4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276 (7) of the SFA.

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

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

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