UBS AG
Form 424B2
February 21, 2019
The information in this preliminary pricing supplement is not complete and may be changed. We may not sell these Notes until the pricing supplement, the accompanying product supplement and the accompanying prospectus (collectively, the "Offering Documents") are delivered in final form. The Offering Documents are not an offer to sell these Notes and we are not soliciting offers to buy these Notes in any state where the offer or sale is not permitted.

Subject to Completion

PRELIMINARY PRICING SUPPLEMENT

Dated February 21, 2019

Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-225551

(To Prospectus dated October 31, 2018 and

Product Supplement dated October 31, 2018)

UBS AG Airbag Autocallable Yield Notes

UBS AG $• Notes Linked to the common stock of Caterpillar Inc. due on or about February 28, 2020

UBS AG $• Notes Linked to the common stock of eBay Inc. due on or about February 28, 2020

UBS AG $• Notes Linked to the common stock of United Rentals, Inc. due on or about February 28, 2020

Investment Description

UBS AG Airbag Autocallable Yield Notes (the "Notes") are unsubordinated, unsecured debt obligations issued by UBS AG ("UBS" or the "issuer") linked to the common stock of a specific company (the "underlying asset"). The issue price of each Note will be $1,000. UBS will pay you a coupon on each coupon payment date regardless of the performance of the underlying asset unless the Notes were previously subject to an automatic call. If the closing level of the underlying asset is equal to or greater than the initial level on any observation date prior to the final valuation date, UBS will automatically call the Notes (an "automatic call") and pay you a cash payment per Note equal to your principal amount plus the coupon otherwise due on the applicable coupon payment date following such observation date (the "call settlement date"), and no further payments will be owed to you under the Notes. If the Notes are not subject to an automatic call and the closing level of the underlying asset on the final valuation date (the "final level") is equal to or greater than the conversion level, UBS will pay you a cash payment per Note equal to the principal amount. If, however, the Notes are not subject to an automatic call and the final level is less than the conversion level, UBS will deliver to you a number of shares of the underlying asset per Note equal to the quotient of (i) the principal amount divided by (ii) the conversion level (the "share delivery amount"), which is expected to be worth less than your principal amount and, in extreme situations, you could lose all of your initial investment. Any fractional share included in the share delivery amount will be paid in cash at an amount equal to the product of the fractional share and the final level. **Investing in the Notes involves significant risks. In exchange for receiving a coupon on the Notes, you are accepting the risk of receiving, at maturity, a number of shares of the underlying asset converted at the**

conversion level, which is expected to be worth less than your principal amount and, in extreme situations, you could lose all of your initial investment. Higher coupon rates are generally associated with a greater risk of loss on the Notes. The contingent repayment of principal applies only if you hold the Notes to maturity. Any payment or delivery on the Notes, including any repayment of principal, is subject to the creditworthiness of UBS. If UBS were to default on its payment obligations, you may not receive any amounts owed to you under the Notes and you could lose all of your initial investment.

Features

q Income — Regardless of the performance of the underlying asset, UBS will pay you coupons on each coupon payment date unless the Notes are subject to an automatic call.
q Automatic Call Feature — UBS will automatically call the Notes and pay you the principal amount of your Notes plus the coupon otherwise due on the related coupon payment date if the closing level of the underlying asset on any observation date prior to the final valuation date is equal to or greater than the initial level. If the Notes were previously subject to an automatic call, no further payments or deliveries will be owed to you under the Notes.
q Contingent Repayment of Principal at Maturity with Potential for Full Downside Market Exposure — If by maturity the Notes have not been subject to an automatic call and the final level of the underlying asset is equal to or greater than the conversion level, UBS will pay you the principal amount per Note at maturity. If, however, the final level is less than the conversion level, UBS will deliver to you a number of shares of the underlying asset per Note equal to the share delivery amount (and, if applicable, cash in lieu of any fractional share), the value of which is expected to be worth less than your principal amount and, in extreme situations, you could lose all of your initial investment. The contingent repayment of principal applies only if you hold the Notes to maturity. Any payment or delivery on the Notes, including any repayment of principal, is subject to the creditworthiness of UBS.

Key Dates*

Trade Date	February 26, 2019
Settlement Date	February 28, 2019
Observation Dates	Quarterly (see page 4)
Final Valuation Date	February 26, 2020
Maturity Date	February 28, 2020

* Expected. See page 2 for additional details.

Notice to investors: the Notes are significantly riskier than conventional debt instruments. The issuer is not necessarily obligated to repay the principal amount of the Notes at

maturity, and the Notes may have the full downside market risk of the underlying asset. This market risk is in addition to the credit risk inherent in purchasing a debt obligation of UBS. You should not purchase the Notes if you do not understand or are not comfortable with the significant risks involved in investing in the Notes.

You should carefully consider the risks described under "Key Risks" beginning on page 5 and under "Risk Factors" beginning on page PS-9 of the accompanying product supplement before purchasing any Notes. Events relating to any of those risks, or other risks and uncertainties, could adversely affect the market value of, and the return on, your Notes. You may

lose some or all of your initial investment in the Notes. The Notes will not be listed or displayed on any securities exchange or any electronic communications network.

Note Offerings

These preliminary terms relate to the separate Note offerings listed below. Each of the Notes is linked to a different underlying asset and each of the Notes has its own coupon rate, initial level, conversion level and share delivery amount. The final terms for each of the Notes will be set on the trade date. Coupons will be paid on each coupon payment date in arrears in equal installments, unless previously subject to an automatic call. ***The performance of each Note will not depend on the performance of any other Note.***

Underlying Asset	Bloomberg Ticker	Coupon Rate	Total Coupon Payable*	Initial Level	Conversion Level	Share Delivery Amount**	CUSIP	ISIN
Common stock of Caterpillar Inc.	CAT	7.45% to 8.45% per annum	7.45% to 8.45%	$ •	88.00% of Initial Level	• shares per Note	90281C310	US90281C3108
Common stock of eBay Inc.	EBAY	6.85% to 7.85% per annum	6.85% to 7.85%	$ •	85.00% of Initial Level	• shares per Note	90281C328	US90281C3280
Common stock of United Rentals, Inc.	URI	8.55% to 9.55% per annum	8.55% to 9.55%	$ •	80.00% of Initial Level	• shares per Note	90281C336	US90281C3363

* *The actual total coupon paid will be based on the duration of the Notes.*

*** Equal to $1,000 divided by the conversion level. If you receive the share delivery amount at maturity, any fractional share included in the share delivery amount will be paid in cash at an amount equal to the product of the fractional share and the final level. The share delivery amount and conversion level are subject to adjustments in the case of certain corporate events described in the accompanying product supplement under "General Terms of the Notes — Antidilution Adjustments for Securities Linked to an Underlying Equity or Equity Basket Asset" and "— Reorganization Events for Securities Linked to an Underlying Equity or Equity Basket Asset."*

The estimated initial value of the Notes as of the trade date is expected to be between (i) $948.80 and $ 978.80 for Notes linked to the common stock of Caterpillar Inc., (ii) $949.10 and $979.10 for Notes linked to the common stock of eBay Inc. and (iii) $950.20 and $980.20 for Notes linked to the common stock of United Rentals, Inc. The range of the estimated initial value of the Notes was determined on the date hereof by reference to UBS' internal pricing models, inclusive of the internal funding rate. For more information about secondary market offers and the estimated initial value of the Notes, see "Key Risks — Fair value considerations" and "— Limited or no secondary market and secondary market price considerations" on pages 6 and 7 of this document.

See "Additional Information about UBS and the Notes" on page ii. The Notes we are offering will have the terms set forth in the accompanying product supplement relating to the Notes, the accompanying prospectus and this document.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these Notes or passed upon the adequacy or accuracy of this document, the accompanying product supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The Notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Offering of Notes	**Issue Price to Public**		**Underwriting Discount**		**Proceeds to UBS AG**	
	Total	**Per Note**	**Total**	**Per Note**	**Total**	**Per Note**
Notes linked to the common stock of Caterpillar Inc.	$ •	$1,000.00	$ •	$15.00	$ •	$985.00
Notes linked to the common stock of eBay Inc.	$ •	$1,000.00	$ •	$15.00	$ •	$985.00
Notes linked to the common stock of United Rentals, Inc.	$ •	$1,000.00	$ •	$15.00	$ •	$985.00

UBS Financial Services Inc. UBS Investment Bank

Additional Information about UBS and the Notes

UBS has filed a registration statement (including a prospectus, as supplemented by a product supplement for the Notes) with the Securities and Exchange Commission (the "SEC") for the Notes to which this document relates. Before you invest, you should read these documents and any other documents related to the Notes that UBS has filed with the SEC for more complete information about UBS and the Notes. You may obtain these documents for free from the SEC website at www.sec.gov. Our Central Index Key, or CIK, on the SEC website is 0001114446.

You may access these documents on the SEC website at www.sec.gov as follows:

- Market-Linked Securities product supplement dated October 31, 2018: http://www.sec.gov/Archives/edgar/data/1114446/000091412118002085/ub47016353-424b2.htm
- Prospectus dated October 31, 2018: http://www.sec.gov/Archives/edgar/data/1114446/000119312518314003/d612032d424b3.htm

References to "UBS", "we", "our" and "us" refer only to UBS AG and not to its consolidated subsidiaries. In this document, "Airbag Autocallable Yield Notes" or the "Notes" refer to the Notes that are offered hereby. Also, references to the "accompanying product supplement" mean the UBS product supplement, dated October 31, 2018 and references to the "accompanying prospectus" mean the UBS prospectus titled, "Debt Securities and Warrants," dated October 31, 2018.

This document, together with the documents listed above, contains the terms of the Notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including all other prior pricing terms, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Key Risks" beginning on page 5 and in "Risk Factors" beginning on page PS-9 in the accompanying product supplement, as the Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisors before deciding to invest in the Notes.

If there is any inconsistency between the terms of the Notes described in the accompanying prospectus, the accompanying product supplement and this document, the following hierarchy will govern: first, this document; second, the accompanying product supplement and last, the accompanying prospectus.

UBS reserves the right to change the terms of, or reject any offer to purchase, the Notes prior to their issuance. In the event of any changes to the terms of the Notes, UBS will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes in which case UBS may reject your offer to purchase.

Investor Suitability

The Notes may be suitable for you if:

- You fully understand the risks inherent in an investment in the Notes, including the risk of loss of all of your initial investment.
- You can tolerate a loss of some or all of your investment and are willing to make an investment that may have the full downside market risk of an investment in the underlying asset.
- You believe that the final level of the underlying asset is likely to be equal to or greater than the conversion level.
- You can tolerate receiving the share delivery amount at maturity, which is expected to be worth less than your principal amount and, in extreme situations losing all of your initial investment.
- You understand and accept that you will not participate in any appreciation of the underlying asset and that any positive return is limited to the coupons.
- You can tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside fluctuations in the level of the underlying asset.
- You would be willing to invest in the Notes based on the conversion level indicated on the cover hereof and if the coupon rate was set equal to the bottom of the range indicated on the cover hereof (the actual coupon rate will be determined on the trade date).
- You are willing to forgo any dividends paid on the underlying asset.
- You are willing to invest in Notes that may be subject to an automatic call, you are otherwise willing to hold the Notes to maturity and you accept that there may be little or no secondary market for the Notes.
- You understand and accept the single equity risk associated with the Notes and understand and are willing to accept the risks associated with the underlying asset.
- You are willing to assume the credit risk of UBS for all payments and deliveries under the Notes, and understand that if UBS defaults on its obligations you may not receive any amounts due to you including any repayment of principal.
- You understand that the estimated initial value of the Notes determined by our internal pricing models is lower than the issue price and that should UBS Securities LLC or any affiliate make secondary markets for the Notes, the price (not including their customary bid-ask spreads) will temporarily exceed the internal pricing model price.

The Notes may not be suitable for you if:

- You do not fully understand the risks inherent in an investment in the Notes, including the risk of loss of all of your initial investment.
- You require an investment designed to provide a full return of principal at maturity.
- You cannot tolerate a loss of some or all of your investment or you are not willing to make an investment that may have the full downside market risk of an investment in the underlying asset.
- You believe that the final level of the underlying asset is likely to be less than the conversion level.
- You cannot tolerate receiving the share delivery amount at maturity, which is expected to be worth less than your principal amount or, in extreme situations, losing all of your initial investment.
- You seek an investment that participates in the appreciation of the underlying asset or that has unlimited return potential.
- You cannot tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside fluctuations in the level of the underlying asset.
- You would be unwilling to invest in the Notes based on the conversion level indicated on the cover hereof or if the coupon rate was set equal to the bottom of the range indicated on the cover hereof (the actual coupon rate will be determined on the trade date).
- You prefer to receive any dividends paid on the underlying asset.
- You are unable or unwilling to invest in Notes that may be subject to an automatic call, you are otherwise unable or unwilling to hold the Notes to maturity or you seek an investment for which there will be an active secondary market.
- You do not understand or accept the single equity risk associated with the Notes or are unwilling to accept the risks associated with the underlying asset.

You are not willing to assume the credit risk of UBS for all payments or deliveries under the Notes, including any repayment of principal.

The suitability considerations identified above are not exhaustive. Whether or not the Notes are a suitable investment for you will depend on your individual circumstances and you should reach an investment decision only after you and your investment, legal, tax, accounting and other advisors have carefully considered the suitability of an investment in the Notes in light of your particular circumstances. You should review "Information about the Underlying Asset" herein for more information on the underlying asset. You should also review carefully the "Key Risks" section herein for risks related to an investment in the Notes.

1

Preliminary Terms

Issuer	UBS AG London Branch
Term	Approximately 12 months, unless subject to an automatic call. In the event that we make any change to the expected trade date and settlement date, the calculation agent may adjust the observation dates and coupon payment dates, as well as the final valuation date and maturity date to ensure that the stated term of the Notes remains the same.
Underlying Asset	The common stock of a specific company, as indicated on the cover hereof.
Automatic Call Feature	UBS will automatically call the Notes if the closing level of the underlying asset on any observation date prior to the final valuation date is equal to or greater than the initial level. If the Notes are subject to an automatic call, UBS will pay you on the coupon payment date following such observation date (the "call settlement date") a cash payment per Note equal to the principal amount plus the coupon otherwise due on such date. Following an automatic call, no further payments will be owed to you under the Notes.
Coupon Payments	UBS will pay interest on the principal amount of the Notes in periodic installments on each coupon payment date (including the maturity date) regardless of the performance of the underlying asset, unless the Notes have been subject to an automatic call. The coupon is a fixed amount based upon equal installments at the coupon rate, which is a per annum rate and will be set on the trade date. The table below sets forth the range for the coupon rate, hypothetical coupon for each Note that would be paid on each coupon payment date and the total coupon payable; the actual total coupon payable will be based on the duration of the Notes. The actual amounts will be determined on the trade date.

	Caterpillar Inc.	**eBay Inc.**	**United Rentals, Inc.**
Coupon Rate	7.45% to 8.45% per annum	6.85% to 7.85% per annum	8.55% to 9.55% per annum
Coupon	$6.2083 to $7.0417	$5.7083 to $6.5417	$7.1250 to $7.9583
Total Coupon Payable	7.45% to 8.45%	6.85% to 7.85%	8.55% to 9.55%

Conversion Level[(1)]	A specified level of the underlying asset that is less than the initial level, equal to a percentage of the initial level as specified on the cover hereof.

Share Delivery Amount (per Note)[(1)]	A number of shares of the underlying asset equal to the quotient of (i) the principal amount divided by (ii) the conversion level. Any fractional share included in the share delivery amount will be paid in cash at an amount equal to the product of the fractional share and the final level.
Payment at Maturity (per Note)	**If the Notes are not subject to an automatic call and the final level is equal to or greater than the conversion level,** UBS will pay you a cash payment per Note equal to: Principal Amount of $1,000 **If the Notes are not subject to an automatic call and the final level is less than the conversion level,** UBS will deliver to you a number of shares of the underlying asset per Note equal to: Share Delivery Amount **In such a case, you will receive the share delivery amount, which is expected to be worth less than the principal amount and, in extreme situations, you could lose all of your initial investment.**
Initial Level[(1)]	The closing level of the underlying asset on the trade date.
Final Level[(1)]	The closing level of the underlying asset on the final valuation date.

[(1)] As determined by the calculation agent and as may be adjusted in the case of certain antidilution and reorganization events as described under "General Terms of the Notes — Antidilution Adjustments for Securities Linked to an

Underlying Equity or Equity Basket Asset" and "— Reorganization Events for Securities Linked to an Underlying Equity or Equity Basket Asset" in the accompanying product supplement.

2

Investment Timeline

Trade Date:	The initial level is observed and the final terms of the Notes are set.
–	
Coupon Payment Dates (if not previously subject to an automatic call):	UBS pays the applicable coupon.
–	
Observation Dates **(prior to the final valuation date):**	UBS will automatically call the Notes if the closing level is greater than or equal to the initial level. If the Notes are subject to an automatic call, UBS will pay you on the call settlement date a cash payment per Note equal to the

	principal amount plus the coupon otherwise due.
–	
Maturity Date:	The final level is observed on the final valuation date.
	If the Notes are not subject to an automatic call and the final level is equal to or greater than the conversion level, UBS will pay you a cash payment per Note equal to:
	Principal Amount of $1,000
	If the Notes are not

subject to an automatic call and the final level is less than the conversion level, UBS will deliver to you a number of shares of the underlying asset per Note equal to:

Share Delivery Amount

In such a case, you will receive the share delivery amount, which is expected to be worth less than your principal amount and, in extreme situations, you could lose all

of your initial investment.

Any fractional share included in the share delivery amount will be paid in cash at an amount equal to the product of the fractional share and the final level.

Investing in the Notes involves significant risks. In exchange for receiving a coupon on the Notes, you are accepting the risk of receiving, at maturity, a number of shares of the underlying asset converted at the conversion level, which is expected to be worth less than your principal amount and, in extreme situations, you could lose all of your initial investment. Any payment or delivery on the Notes, including any repayment of principal, is subject to the creditworthiness of UBS. If UBS were to default on its payment obligations, you may not receive any amounts owed to you under the Notes and you could lose all of your initial investment.

If the Notes are not subject to an automatic call, you may lose some or all of your initial investment. Specifically, if the Notes are not subject to an automatic call and the final level is less than the conversion level, UBS will deliver to you a number of shares of the underlying asset per Note equal to the share delivery amount, which is expected to be worth less than your principal amount and, in extreme situations, you could lose all of your initial investment.

Observation Dates[(1)] and Coupon Payment Dates[(1)]

Observation Dates	Coupon Payment Dates
	March 28, 2019
	April 30, 2019
May 28, 2019	May 30, 2019*
	June 28, 2019
	July 30, 2019
August 27, 2019	August 29, 2019*
	September 30, 2019
	October 30, 2019
November 26, 2019	November 29, 2019*
	December 31, 2019
	January 29, 2020
Final Valuation Date**	Maturity Date

(1) Subject to the market disruption event provisions set forth under "General Terms of the Securities – Market Disruption Events" in the accompanying product supplement.

* Also the corresponding call settlement date for the applicable observation date.

** The final valuation date is not an observation date for purposes of determining an automatic call.

4

Key Risks

An investment in the Notes involves significant risks. Some of the key risks that apply to the Notes are summarized below, but we urge you to read the more detailed explanation of risks relating to the Notes generally in the "Risk Factors" section of the accompanying product supplement. We also urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the Notes.

- **Risk of loss at maturity** — The Notes differ from ordinary debt securities in that the UBS will not necessarily repay the principal amount of the Notes at maturity. If the Notes are not subject to an automatic call and the final level is less than the conversion level, UBS will deliver to you the share delivery amount at maturity for each Note that you own, which is expected to be worth less than your principal amount and could be worthless. If you receive the share delivery amount, then, as of the final valuation date, the percentage decline in the value of the share delivery amount will be at a proportionately higher percentage relative to any percentage decline in the level of the underlying asset below the conversion level from the trade date to the final valuation date. Therefore, the further the final level has declined from the conversion level, the closer your loss of principal will be to the decline of the underlying asset from the initial level and, in extreme situations, you could lose all of your initial investment. For example, if the conversion level is 80% of the initial level and the final level is 70% of the initial level, you will lose 12.50% of your initial investment (based on the value of the share delivery amount on the final valuation date), which is greater than the 10% additional decline of the underlying asset from the conversion level, but less than the 30% total decline from the initial level. Additionally, in the event that the final level is less than the conversion level, any decline in the level of the underlying asset during the period between the final valuation date and the maturity date will cause your return on the Notes to be less than the return you would have received had UBS instead paid you an amount in cash equal to the share delivery amount.
- **A higher coupon rate or lower conversion level may reflect greater expected volatility of the underlying asset, and greater expected volatility generally indicates an increased risk of loss at maturity** — The economic terms for the Notes, including the coupon rate and conversion level, are based, in part, on the expected volatility of the underlying asset at the time the terms of the Notes are set. "Volatility" refers to the frequency and magnitude of changes in the level of the underlying asset. The greater the expected volatility of the underlying asset as of the trade date, the greater the expectation is as of that date that the final level of the underlying asset could be less than the conversion level on the final valuation date and, as a consequence, indicates an increased risk of loss. All things being equal, this greater expected volatility will generally be reflected in a higher coupon rate than the yield payable on our conventional debt securities with a similar maturity or on otherwise comparable securities, and/or a lower conversion level than that on otherwise comparable securities. Therefore, a relatively higher coupon rate may indicate an increased risk of loss. Further, a relatively lower conversion level may not necessarily indicate that the Notes have a greater likelihood of a return of principal at maturity. You should be willing to accept the downside market risk of the underlying asset and the potential to lose some or, in extreme situations, all of your initial investment at maturity.
- **The contingent repayment of principal applies only if you hold the Notes to maturity** — You should be willing to hold your Notes to maturity. If you are able to sell your Notes prior to an automatic call or maturity in the secondary market, you may have to sell them at a loss relative to your initial investment even if the level of the underlying asset at such time is equal to or greater than the conversion level.
- **Your potential return on the Notes is limited to the coupon payments and you will not receive dividend payments on any underlying asset or have the same rights as holders of the underlying asset** — Your return on the Notes is limited to the coupons paid and you will not participate in any appreciation of the underlying asset, even though you will be exposed to the downside market risk of the underlying asset if the final level is less than the conversion level. If the Notes are subject to an automatic call, you will not receive any coupons or any other payment in respect of any coupon payment dates after the applicable call settlement date. Because the Notes may be subject to an automatic call as early as the first potential call settlement date, the total return on the Notes could be less than if the Notes remained outstanding until maturity. Further, you will not receive or be entitled to receive any dividend payments or other distributions on the underlying asset during the term of the Notes, and any such dividends or distributions will not be factored into the calculation of the payment at maturity on your Notes. In addition, as an

owner of the Notes, you will not have voting rights or any other rights that a holder of the underlying asset.

The Notes may be subject to an automatic call early and are subject to reinvestment risk — The Notes will be subject to an automatic call if the closing level of the underlying asset is equal to or greater than the initial level on any observation date prior to the final valuation date. In the event that the Notes are subject to an automatic call, the term of your investment may be limited and there is no guarantee that you will be able to reinvest the proceeds from an investment in the Notes at a comparable rate of return for a similar level of risk. In addition, to the extent you are able to reinvest such proceeds in an investment comparable to the Notes, you may incur transaction costs and the original issue price for such an investment is likely to include certain built-in costs such as dealer discounts and hedging costs. Conversely, the Notes will not be subject to an automatic call when the closing level of the underlying asset is less than the initial level on any observation date. Generally the longer the Notes are outstanding, the less likely it is that they will be automatically called (as compared to at the trade date) due to the decline in the level of the underlying asset and the shorter time remaining for the level of the underlying asset to recover. Such periods generally coincide with a period of greater risk of principal loss on your Notes.

5

- **Credit risk of UBS** — The Notes are unsubordinated, unsecured debt obligations of UBS and are not, either directly or indirectly, an obligation of any third party. Any payment or delivery to be made on the Notes, including payments in respect of an automatic call or any repayment of principal, depends on the ability of UBS to satisfy its obligations as they come due. As a result, UBS' actual and perceived creditworthiness may affect the market value of the Notes. If UBS were to default on its obligations, you may not receive any payment or delivery owed to you under the terms of the Notes and you could lose all of your initial investment.
- **Single equity risk —** The return on the Notes, which may be negative, is directly linked to the performance of the underlying asset. The level of the underlying asset can rise or fall sharply due to factors specific to that underlying asset and the issuer of such underlying asset (the "underlying asset issuer"), such as stock price volatility, earnings, financial conditions, corporate, industry and regulatory developments, management changes and decisions and other events, as well as general market factors, such as general market volatility and levels, interest rates and economic and political conditions. You, as an investor in the Notes, should make your own investigation into the underlying asset issuer and the underlying asset for your Notes. For additional information regarding the underlying asset issuer, please see "Information about the Underlying Asset" in this document and the underlying asset issuer's SEC filings referred to in that section. **We urge you to review financial and other information filed periodically by the underlying asset issuer with the SEC.**

Fair value considerations

- **The issue price you pay for the Notes will exceed their estimated initial value** — The issue price you pay for the Notes will exceed their estimated initial value as of the trade date due to the inclusion in the issue price of the underwriting discount, hedging costs, issuance costs and projected profits. As of the close of the relevant markets on the trade date, we will determine the estimated initial value of the Notes by reference to our internal pricing models and it will be set forth in the final pricing supplement. The pricing models used to determine the estimated initial value of the Notes incorporate certain variables, including the price, volatility and any expected dividends on the underlying asset, prevailing interest rates, the term of the Notes and our internal funding rate. Our internal funding rate is typically lower than the rate we would pay to issue conventional fixed or floating rate debt securities of a similar term. The underwriting discount, hedging costs, issuance costs, projected profits and the difference in rates will reduce the economic value of the Notes to you. Due to these factors, the estimated initial value of the Notes as of the trade date will be less than the issue price you pay for the Notes.
- **The estimated initial value is a theoretical price; the actual price that you may be able to sell your Notes in any secondary market (if any) at any time after the trade date may differ from the estimated initial value** — The value of your Notes at any time will vary based on many factors, including the factors described above and in "—Single equity risk" above and is impossible to predict. Furthermore, the pricing models that we use are proprietary and rely in part on certain assumptions about future events, which may prove to be incorrect. As a result, after the trade date, if you attempt to sell the Notes in the secondary market, the actual value you would receive may differ, perhaps materially, from the estimated initial value of the Notes determined by reference to our internal pricing models. The estimated initial value of the Notes does not represent a minimum or maximum price at which we or any of our affiliates would be willing to purchase your Notes in any secondary market at any time.
- **Our actual profits may be greater or less than the differential between the estimated initial value and the issue price of the Notes as of the trade date** — We may determine the economic terms of the Notes, as well as hedge our obligations, at least in part, prior to the trade date. In addition, there may be ongoing costs to us to maintain and/or adjust any hedges and such hedges are often imperfect. Therefore, our actual profits (or potentially, losses) in issuing the Notes cannot be determined as of the trade date and any such differential between the estimated initial value and the issue price of the Notes as of the trade date does not reflect our actual profits. Ultimately, our actual profits will be known only at the maturity of the Notes.

Limited or no secondary market and secondary market price considerations.

- **There may be little or no secondary market for the Notes —** The Notes will not be listed or displayed on any securities exchange or any electronic communications network. UBS Securities LLC and its affiliates intend, but are not required, to make a market for the Notes and may stop making a market at any time. If you are able to sell your Notes prior to maturity, you may have to sell them at a substantial loss. Furthermore, there can be no assurance that a secondary market for the Notes will develop. The estimated initial value of the Notes does not represent a minimum or maximum price at which we or any of our affiliates would be willing to purchase your Notes in any secondary market at any time.

¨ **The price at which UBS Securities LLC and its affiliates may offer to buy the Notes in the secondary market (if any) may be greater than UBS' valuation of the Notes at that time, greater than any other secondary market prices provided by unaffiliated dealers (if any) and, depending on your broker, greater than the valuation provided on your customer account statements** — For a limited period of time following the issuance of the Notes, UBS Securities LLC or its affiliates may offer to buy or sell such Notes at a price that exceeds (i) our valuation of the Notes at that time based on our internal pricing models, (ii) any secondary market prices provided by unaffiliated dealers (if any) and (iii) depending on your broker, the valuation provided on customer account statements. The price that UBS Securities LLC may initially offer to buy such Notes following issuance will exceed the valuations indicated by our internal pricing models due to the inclusion for a limited period of time of the aggregate value of the underwriting discount, hedging costs, issuance costs and theoretical projected trading profit. The portion of such amounts included in our price will decline to zero on a straight line basis over a period ending no later than the date specified under "Supplemental Plan of Distribution (Conflicts of Interest); Secondary Markets (if any)". Thereafter, if UBS Securities LLC or an affiliate makes secondary markets in the Notes, it will do so at prices that reflect our estimated value determined by reference to our internal pricing models at that time. The temporary positive differential relative to our internal pricing models arises from requests from and arrangements made by UBS Securities LLC with the selling agents of structured debt securities such as the Notes. As described above, UBS Securities LLC and its affiliates intend, but are not required, to make a market for the Notes and may stop making a market at any time. The price at which UBS Securities LLC or an affiliate may make secondary markets at any time (if at all) will also reflect its then current bid-ask spread for similar sized trades of structured debt securities. UBS Financial Services Inc. and UBS Securities LLC reflect this temporary positive differential on their customer statements. Investors should inquire as to the valuation provided on customer account statements provided by unaffiliated dealers.

¨ **Economic and market factors affecting the terms and market price of Notes prior to maturity** — Because structured notes, including the Notes, can be thought of as having a debt component and a derivative component, factors that influence the values of debt instruments and options and other derivatives will also affect the terms and features of the Notes at issuance and the market price of the Notes prior to maturity. These factors include the price of the underlying asset; the volatility of the underlying asset; any dividends paid on the underlying asset, if applicable; the time remaining to the maturity of the Notes; interest rates in the markets; geopolitical conditions and economic, financial, political, force majeure and regulatory or judicial events; the creditworthiness of UBS; the then current bid-ask spread for the Notes and the factors discussed under "— Potential conflict of interest" below. These and other factors are unpredictable and interrelated and may offset or magnify each other.

¨ **Impact of fees and the use of internal funding rates rather than secondary market credit spreads on secondary market prices** — All other things being equal, the use of the internal funding rates described above under "— Fair value considerations" as well as the inclusion in the issue price of the underwriting discount, hedging costs, issuance costs and any projected profits are, subject to the temporary mitigating effect of UBS Securities LLC's and its affiliates' market making premium, expected to reduce the price at which you may be able to sell the Notes in any secondary market.

¨ **There can be no assurance that the investment view implicit in the Notes will be successful** — It is impossible to predict whether and the extent to which the level of the underlying asset will rise or fall and there can be no assurance that the closing level of the underlying asset will be equal to or greater than the initial level on any observation date prior to the final valuation date, or, if the Notes are not subject to an automatic call, that the final level of the underlying asset will be equal to or greater than the conversion level. The final level of the underlying asset will be influenced by complex and interrelated political, economic, financial and other factors that affect the underlying asset issuer. You should be willing to accept the risks of owning equities in general and the underlying asset in particular, and the risk of losing some or all of your initial investment.

¨ **There is no affiliation between the underlying asset issuer and UBS, and UBS is not responsible for any disclosure by such issuer** — We and our affiliates may currently, or from time to time in the future engage in business with the underlying asset issuer. However, we are not affiliated with the underlying asset issuer and are not responsible for such underlying asset issuer's public disclosure of information, whether contained in SEC filings or otherwise. You, as an investor in the Notes, should conduct your own investigation into the underlying asset and the underlying asset issuer for your Notes. The underlying asset issuer is not involved in the Notes offered hereby in any way and has no obligation of any sort with respect to your Notes. The underlying asset issuer has no obligation to take your interests into consideration for any reason, including when taking any corporate actions that might affect the value of your Notes.

¨ **The calculation agent can make antidilution and reorganization adjustments that affect the payment to you at maturity —** For antidilution and reorganization events affecting the underlying asset, the calculation agent may make adjustments to the initial level, share delivery amount, conversion level and/or final level, as applicable, and any other term of the Notes. However, the calculation agent will not make an adjustment in response to every corporate event that could affect the underlying asset. If an event occurs that does not require the calculation agent to make an adjustment, the market value of the Notes and the payment at maturity may be materially and adversely affected. In addition, all determinations and calculations concerning any such adjustments will be made by the calculation agent. You should be aware that the calculation agent may make any such adjustment, determination or calculation in a manner that differs from that discussed in the accompanying product supplement or this document as necessary to achieve an equitable result. Following certain reorganization events relating to the underlying asset issuer where such issuer is not the surviving entity, the amount of cash or shares you receive at maturity may be based on the equity security of a successor issuer to the underlying asset issuer in combination with any cash or any other assets distributed to holders of the underlying asset in such reorganization event. If the underlying asset issuer becomes subject to (i) a reorganization event whereby the underlying asset is exchanged solely for cash, (ii) a merger or consolidation with UBS or any of its affiliates or (iii) the underlying asset is delisted or otherwise suspended from trading, the amount of cash or shares you receive at maturity may be based on a substitute security. If any underlying asset is replaced or substituted by a security issued by a non-U.S. company that is traded on a non-U.S. exchange, we will pay, in lieu of delivery of any such security, an amount in cash (payable in U.S. dollars) equal to the value thereof, as determined by the calculation agent. The occurrence of any antidilution or reorganization event and the consequent adjustments may materially and adversely affect the value of the Notes and your payment at maturity, if any. For more information, see the sections "General Terms of the Notes — Antidilution Adjustments for Securities Linked to an Underlying Equity or Equity Basket Asset" and "— Reorganization Events for Securities Linked to an Underlying Equity or Equity Basket Asset" in the accompanying product supplement.

- **Potential UBS impact on the market price of the underlying asset —** Trading or transactions by UBS and/or its affiliates in the underlying asset, listed and/or over-the-counter options, futures, exchange-traded funds or other instruments with returns linked to the performance of the underlying asset may adversely affect the market price of the underlying asset and, therefore, the market value of the Notes and the payment at maturity.
- **Potential conflict of interest** — UBS and its affiliates may engage in business with the underlying asset issuer, which may present a conflict between the obligations of UBS and you, as a holder of the Notes. There are also potential conflicts of interest between you and the calculation agent, which will be an affiliate of UBS and which will make potentially subjective judgments. The calculation agent will determine whether the Notes are subject to an automatic call and if not, the payment at maturity of the Notes, if any, based on observed levels of the underlying asset. The calculation agent can postpone the determination of the terms of the Notes on the trade date, any observation date or final valuation date, respectively. As UBS determines the economic terms of the Notes, including the coupon rate and conversion level, and such terms include the underwriting discount, hedging costs, issuance costs and projected profits, the Notes represent a package of economic terms. There are other potential conflicts of interest insofar as an investor could potentially get better economic terms if that investor entered into exchange traded and/or OTC derivatives or other instruments with third parties, assuming that such instruments were available and the investor had the ability to assemble and enter into such instruments.
- **Potentially inconsistent research, opinions or recommendations by UBS** — UBS and its affiliates publish research from time to time on financial markets and other matters that may influence the value of the Notes, or express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any research, opinions or recommendations expressed by UBS or its affiliates may not be consistent with each other and may be modified from time to time without notice. Investors should make their own independent investigation of the merits of investing in the Notes and the underlying asset to which the Notes are linked.
- **The Notes are not bank deposits** — An investment in the Notes carries risks which are very different from the risk profile of a bank deposit placed with UBS or its affiliates. The Notes have different yield and/or return, liquidity and risk profiles and would not benefit from any protection provided to deposits.
- **If UBS experiences financial difficulties, FINMA has the power to open restructuring or liquidation proceedings in respect of, and/or impose protective measures in relation to, UBS, which proceedings or measures may have a material adverse effect on the terms and market value of the Notes and/or the ability of UBS to make payments thereunder** — The Swiss Financial Market Supervisory Authority ("FINMA") has broad statutory powers to take measures and actions in relation to UBS if (i) it concludes that there is justified concern that UBS is over-indebted or has serious liquidity problems or (ii) UBS fails to fulfill the applicable capital adequacy requirements (whether on a standalone or consolidated basis) after expiry of a deadline set by FINMA. If one of these pre-requisites is met, FINMA is authorized to open restructuring proceedings or liquidation (bankruptcy) proceedings in respect of, and/or impose protective measures in relation to, UBS. The Swiss Banking Act grants significant discretion to FINMA in connection with the aforementioned proceedings and measures. In particular, a broad variety of protective measures may be imposed by FINMA, including a bank moratorium or a maturity postponement, which measures may be ordered by FINMA either on a stand-alone basis or in connection with restructuring or liquidation proceedings. The resolution regime of the Swiss Banking Act is further detailed in the FINMA Banking Insolvency Ordinance ("BIO-FINMA"). In a restructuring proceeding, FINMA, as resolution authority, is competent to approve the resolution plan. The resolution plan may, among other things, provide for (a) the transfer of all or a portion of UBS' assets, debts, other liabilities and contracts (which may or may not include the contractual relationship between UBS and the holders of Notes) to another entity, (b) a stay (for a maximum of two business days) on the termination of contracts to which UBS is a party, and/or the exercise of (w) rights to terminate, (x) netting rights, (y) rights to enforce or dispose of collateral or (z) rights to transfer claims, liabilities or collateral under contracts to which UBS is a party, (c) the conversion of UBS' debt and/or other obligations, includ