

Termsheet as of 02/08/2018

PRIVATE PLACEMENT
Yield-Enhancement Products
SSPA Product Type: 1230

2.50% Multi Barrier Reverse Convertible on Astrazeneca, Bayer, Johnson & Johnson, Perrigo

Multi Barrier Observation at maturity only | Autocallable | 2.50% Conditional Coupon Amount | Memory Coupon | 10.00% Annualized Guaranteed Coupon | Quanto CZK

Final Fixing Date 31/07/2020; issued in CZK; listed on Börse Frankfurt Zertifikate AG (Open Market)

ISIN CH0419584096 | Swiss Security Number 41958409 | WKN LTQ056

Investors should read the section "Significant Risks" below as well as the section "Risk Factors" of the relevant Programme.

In the European Economic Area this product may only be offered to qualified investors as defined in the Prospectus Directive or in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer shall require the publication of a prospectus or supplement pursuant to the Prospectus Directive.

This Product is a derivative instrument according to Swiss law. It does not qualify as unit of a collective investment scheme pursuant to art. 7 et seqq. of the Swiss Federal Act on Collective Investment Schemes (CISA) and is therefore neither registered nor supervised by the Swiss Financial Market Supervisory Authority FINMA. Investors do not benefit from the specific investor protection provided under the CISA.

In addition, investors are subject to the credit risk of the Issuer.

This Product may be distributed in or from Switzerland only to qualified investors within the meaning of art. 10 of the CISA, as amended from time to time, and only marketing efforts commonly deployed for the market with such a selected investors' universe may be used.

This document is not a prospectus within the meaning of article 1156 of the Swiss Code of Obligations (CO).

I. PRODUCT DESCRIPTION

Market expectation of the Investor

The Underlying will trade sideways to slightly higher.

The Barrier Event will not occur.

Product description

This Product offers the Investor Guaranteed Coupon Amount(s) during the Guaranteed Coupon Period. In addition, the Investor has the opportunity to receive additional coupon payments either in the form of Conditional Coupon Amounts and/or in the form of Early Redemption Coupon Amounts as the case may be and as specified below. The Product can be early redeemed if the relevant conditions are met on any of the pre-defined Autocall Observation Dates. If no Early Redemption has occurred during the lifetime of the Product, the Investor will receive on the Redemption Date a Cash Settlement in the Settlement Currency equal to the Issue Price. In case the Product has not been early redeemed and a Barrier Event has occurred, the redemption of the Product will depend on the value of the Underlying, as described in section "Redemption".

UNDERLYING

| Underlying | Related Exchange | Bloomberg Ticker | Initial Fixing Level (100%)* | Barrier Level (66.00%)* | Strike Level (100.00%)* | Conversion Ratio |
|-------------------|-----------------------|------------------|------------------------------|-------------------------|-------------------------|------------------|
| ASTRAZENECA PLC | London Stock Exchange | AZN LN | GBp 5865.00 | GBp 3870.90 | GBp 5865.00 | TBA** |
| BAYER AG-REG | Xetra | BAYN GY | EUR 95.26 | EUR 62.87 | EUR 95.26 | TBA** |
| JOHNSON & JOHNSON | NYSE | JNJ UN | USD 132.52 | USD 87.46 | USD 132.52 | TBA** |
| PERRIGO CO | NYSE | PRGO UN | USD 80.52 | USD 53.14 | USD 80.52 | TBA** |

PRODUCT DETAILS

| | |
|--------------------------|---|
| Swiss Security Number | 41958409 |
| ISIN | CH0419584096 |
| WKN | LTQ056 |
| Issue Price | CZK 5'000.00 |
| Issue Size | 100'000 Certificate(s) (can be increased at any time) |
| Settlement Currency | CZK |
| Currency Protection | Quanto CZK |
| Guaranteed Coupon Period | 07/08/2018 - 05/11/2018 |

* levels are expressed in percentage of the Initial Fixing Level

** will be determined on the Final Fixing Date

| | | | | | | |
|---|---|-----------------------------------|------------------------------------|------------------------------|--|--------------------------------|
| Initial Fixing Date 31/07/2018 | First Exchange Trading Date 07/08/2018 | Barrier Observation 31/07/2020 | Barrier Level Astrazeneca (66.00%) | Barrier Level Bayer (66.00%) | Barrier Level Johnson & Johnson (66.00%) | Barrier Level Perrigo (66.00%) |
| Guaranteed Coupon Amount CZK 125.00 05/11/2018 | Final Fixing Date 31/07/2020 | Redemption Date 07/08/2020 | | | | |

Guaranteed Coupon Amount(s) and Coupon Payment Date(s)

The Guaranteed Coupon Amount(s) per Product will be paid in the Settlement Currency on the respective Coupon Payment Date(s). Following Business Day Convention applies.

CZK 125.00 paid on 05/11/2018

Conditional Coupon Amount 2.50%

Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, the Investor will receive on the relevant Coupon Payment Date a Conditional Coupon Amount according to the following formula:

$$\text{Issue Price} \times \left[\sum_{i=n+1}^N \text{Conditional Coupon Rate}_i \right]$$

Where:

"n" is the number of the last Coupon Payment Date where a Conditional Coupon Amount has been paid. If no Coupon Payment has been made upon the current Coupon Observation Date, the value of "n" will be equal to zero.

"N" is the number of the current Coupon Observation Date, according to the table below.

DATES

| | |
|------------------------------------|--|
| Initial Fixing Date | 31/07/2018 |
| Issue Date | 07/08/2018 |
| First Exchange Trading Date | 07/08/2018 (anticipated) |
| Last Trading Day/Time | 31/07/2020 / Exchange market close |
| Final Fixing Date | 31/07/2020 (subject to Market Disruption Event provisions) |
| Redemption Date | 07/08/2020 (subject to Settlement Disruption Event provisions) |

Conditional Coupon Observation and Conditional Coupon Payment Dates

| N/n | Coupon Observation Date | Coupon Trigger Level ^a | Coupon Payment Date | Conditional Coupon Rate _i |
|-----|-------------------------|-----------------------------------|---------------------|--------------------------------------|
| 1 | 31/01/2019 | 100.00% | 05/02/2019 | 2.50% |
| 2 | 30/04/2019 | 95.00% | 06/05/2019 | 2.50% |
| 3 | 31/07/2019 | 90.00% | 05/08/2019 | 2.50% |
| 4 | 31/10/2019 | 85.00% | 05/11/2019 | 2.50% |
| 5 | 31/01/2020 | 80.00% | 05/02/2020 | 2.50% |
| 6 | 30/04/2020 | 80.00% | 06/05/2020 | 2.50% |
| 7 | 31/07/2020* | 80.00% | 07/08/2020** | 2.50% |

^alevels are expressed in percentage of the Initial Fixing Level

*the last Coupon Observation Date equals the Final Fixing Date

**the last Coupon Payment Date equals the Redemption Date

Autocall Observation and Early Redemption Dates

| | Autocall Observation Date | Autocall Trigger Level ^a | Early Redemption Date |
|---|---------------------------|-------------------------------------|-----------------------|
| 1 | 31/01/2019 | 100.00% | 05/02/2019 |
| 2 | 30/04/2019 | 95.00% | 06/05/2019 |
| 3 | 31/07/2019 | 90.00% | 05/08/2019 |
| 4 | 31/10/2019 | 85.00% | 05/11/2019 |
| 5 | 31/01/2020 | 80.00% | 05/02/2020 |
| 6 | 30/04/2020 | 80.00% | 06/05/2020 |
| 7 | 31/07/2020* | 80.00% | 07/08/2020** |

^alevels are expressed in percentage of the Initial Fixing Level

*the last Autocall Observation Date equals the Final Fixing Date

**the last Early Redemption Date equals the Redemption Date

If any of the above-mentioned Autocall/Coupon Observation Dates is not an Exchange Business Day for an Underlying, the next following Exchange Business Day for that Underlying shall be the respective Autocall/Coupon Observation Date. General Terms and Conditions apply also to the Autocall/Coupon Observation Dates as if they were Final Fixing Dates. If any of the above-mentioned Early Redemption or Coupon Payment Dates is not a Business Day, the next following Business Day will apply. For the avoidance of doubt, a Coupon Payment Date will never be later than the Early Redemption Date.

REDEMPTION

In case no Early Redemption has occurred, the following applies. The Coupon Amount(s) per Product will be paid in any case at the respective Coupon Payment Date(s). In addition the Investor is entitled to receive from the Issuer on the Redemption Date per Product:

Scenario 1 If a Barrier Event has NOT occurred, the Investor will receive a Cash Settlement in the Settlement Currency equal to: Issue Price

Scenario 2 If a Barrier Event has occurred, the Investor will receive a round number (i.e. Conversion Ratio) of the Underlying with the Worst Performance per Product. Any potential fractional Conversion Ratio entitlements (Fraction of Underlyings) will be paid in cash, based on the Final Fixing Level. Fractions of Underlyings will not be cumulated.

Initial Fixing Level Official close of the respective Underlying on the Initial Fixing Date on the Related Exchange, as determined by the Calculation Agent.

| | |
|-----------------------------|---|
| Final Fixing Level | Official close of the respective Underlying on the Final Fixing Date on the Related Exchange, as determined by the Calculation Agent. |
| Worst Performance | For each Underlying the performance is calculated by dividing its Final Fixing Level by the respective Initial Fixing Level. The Worst Performance corresponds to the lowest of all so calculated values, as determined by the Calculation Agent. |
| Barrier Event | A Barrier Event shall be deemed to occur if at least one of the Underlyings' Final Fixing Levels is at or below the respective Barrier Level, as reasonably determined by the Calculation Agent. |
| Early Redemption | Provided that on one of the pre-defined Autocall Observation Dates the official close of all Underlyings is above their Autocall Trigger Level, an Early Redemption will occur and the Product will expire immediately. The Investor will receive on the relevant Early Redemption Date a Cash Settlement which equals the Issue Price, plus the Coupon Amount for the respective Coupon Payment Date. No further payments will be made. |
| Coupon Trigger Event | A Coupon Trigger Event shall be deemed to occur, if on any Coupon Observation Date all Underlyings close above their respective Coupon Trigger Level, as reasonably determined by the Calculation Agent. |
| Conversion Ratio | Issue Price divided by the Strike Level which is expressed as absolute value in the relevant Underlying currency and converted where necessary into the Settlement Currency using the FX Rate. |
| FX Rate | The foreign exchange rate to be used for the conversion of the relevant Underlying currency into the Settlement Currency which appears on the Bloomberg page "BFX" on the Final Fixing Date at 10 a.m. local time New York, respectively for Underlyings with the Related Exchange located in the Asia-Pacific region at 4 p.m. local time Hong Kong and as reasonably determined by the Calculation Agent. |

GENERAL INFORMATION

| | |
|-------------------------------------|--|
| Issuer | Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey (Rating: n/a, Supervisory Authority: FINMA / GFSC) |
| Lead Manager | Leonteq Securities AG, Zurich, Switzerland |
| Calculation Agent | Leonteq Securities AG, Zurich, Switzerland |
| Paying Agent | Leonteq Securities AG, Zurich, Switzerland |
| Distribution Fees | Relevant Fees (incl. VAT, if any. Reference is made to section "Remunerations to Third Parties" herein and to the General Terms and Conditions of the Programme) |
| Listing/Exchange | Frankfurter Wertpapierbörse (Freiverkehr); traded on Börse Frankfurt Zertifikate AG (Open Market) Listing will be applied for. |
| Secondary Market | Daily price indications will be available from 09:00 - 17:30 CET on www.leonteq.com , Thomson Reuters [SIX Symbol]=LEOZ or [ISIN]=LEOZ and Bloomberg [ISIN] Corp or on LEOZ. |
| Resale | Products may only be sold to a third party with the prior consent of the Lead Manager and only in form of a private placement. Thus, Investors must contact the Lead Manager before they resell the Products. |
| Quoting Type | Secondary market prices are quoted dirty; accrued interest is included in the prices. |
| Quotation Type | Secondary market prices are quoted in the Settlement Currency, per Product. |
| Coupon Day Count Convention | 30/360; Unadjusted; Accruing during each coupon period (including start and excluding end date). |
| Settlement Type | Cash Settlement or Delivery of Underlying |
| Minimum Investment | 1 Certificate(s) |
| Minimum Trading Lot | 1 Certificate(s) |
| Selling Restrictions | This Product may be distributed in or from Switzerland only to qualified investors within the meaning of art. 10 of the CISA, as amended from time to time, and only marketing efforts commonly deployed for the market with such a selected investors' universe may be used. No action has been or will be taken to permit a public offering of the Products or possession or distribution of any offering material in relation to the Products in any jurisdiction, where such action for that purpose is required. Consequently, any offer, sale or delivery of the Products, or distribution or publication of any offering material relating to the Products, may only be made in or from any jurisdiction in compliance with applicable laws and regulations not imposing any obligations on the Issuing Parties or the Lead Manager. Possible limitations resulting from legal restrictions with regard to cross-border communication and cross-border business concerning the Products and related information remain reserved. Most important jurisdictions where the Products may not be publicly distributed are EEA, UK, Hong Kong and Singapore. The Products may not be offered or sold within the United States or to, or for the account or benefit of US persons (as defined in Regulation S). Detailed information on Selling Restrictions is published in the Programme which is available on www.leonteq.com . |
| Clearing | SIX SIS Ltd, Euroclear, Clearstream |
| Depository | SIX SIS Ltd |
| Public Offering only in | N/A |
| Form | Uncertificated Security / Book-entry |
| Governing Law / Jurisdiction | Swiss / Zurich |

The definition "Issuing Party/Parties" as used herein, means the Issuer, as indicated in section "General Information".

TAXATION

Investors and prospective Investors are advised to consult with their tax advisers with respect to the tax consequences of the purchase, ownership, disposition, lapse or exercise or redemption of a Product in light of their particular circumstances. The Issuing Parties and the Lead Manager hereby expressly exclude any liability in respect of any possible tax implications.

Information with regards to FATCA (Foreign Account Tax Compliance Act)

Any payment under this Product may be subject to withholding tax (such as, inter alia, withholding related to FATCA or 871(m) of the US Tax Code). Any payments due under this Product are net of such tax. If an amount in respect of Section 871(m) of the U.S. Tax Code were to be deducted or withheld from interest, principal or other payments on the Products, none of the Issuer, any Paying Agent or any other person would be required to

pay additional amounts as a result of the deduction or withholding of such tax, i.e. the Investor would receive a significant lower amount than he would have received without such deduction or withholding.

PRODUCT DOCUMENTATION

The Termsheet contains a summary of information of the Product and is for information purposes only. **Only the Final Termsheet together with the Issuance and Offering Programme of the relevant Issuer valid as per the Initial Fixing Date containing all further relevant terms and conditions, as such is amended from time to time (the "Programme"), shall form the entire and legally binding documentation for this Product ("Product Documentation")**, and accordingly the Final Termsheet should always be read together with the Programme. Definitions used in the Final Termsheet, but not defined therein, shall have the meaning given to them in the Programme. **Even though translation into other languages might be available, it is only the Final Termsheet and Programme in English which are legally binding.**

Notices to Investors in connection with this Product shall be validly given in accordance with the terms and conditions of the Programme.

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at Europaallee 39, 8004 Zurich (Switzerland), via telephone (+41-(0)58-800 1000*), fax (+41-(0)58-800 1010) or via e-mail (termsheet@leonteq.com). Please note that all calls made to numbers marked with an asterisk (*) are recorded. By calling such number, your consent to the recording is deemed given.

II. PROSPECTS FOR PROFIT AND LOSS

This Product falls within the category "Yield Enhancement" which means that there is an upper limit to the profit an Investor can realize with this Product. At redemption the Investor could receive a maximum amount corresponding to the invested capital (excluding any transaction or other costs) plus any additional (guaranteed and/or conditional) payments such as coupon or participation payments, bonuses or others.

On the downside, especially if the Product has forfeited any contingent capital protection (like e.g. a barrier, strike), the Investor is exposed to the negative development of the Underlying(s). This might (even if a stop loss event has occurred) lead to a partial or even a total loss of the investment.

Please refer to the sections "Product Description" and "Redemption" for more detailed information on the characteristics of this Product.

III. SIGNIFICANT RISKS

RISK FACTORS RELATING TO THE PRODUCT

The risk of loss related to this Product is similar to an investment in the worst performing Underlying. Therefore, the Investor could lose the total capital invested if the Barrier Event has occurred and if the value of the Underlying with the Worst Performance falls to zero. In case of Delivery of Underlying the Investor's custody bank may charge a transaction fee. However, the Investor will always receive the Guaranteed Coupon Amount for the Product irrespective of the redemption scenario applicable.

ADDITIONAL RISK FACTORS

Prospective Investors should ensure that they fully understand the nature of this Product and the extent of their exposure to risks and they should consider the suitability of this Product as an investment in the light of their own circumstances and financial condition. Products involve a high degree of risk, including the potential risk of expiring worthless. Potential Investors should be prepared in certain circumstances to sustain a total loss of the capital invested to purchase this Product. Prospective Investors shall consider the following important risk factors and see the section "Risk Factors" of the Programme for details on all other risk factors to be considered.

This is a structured product involving derivative components. Investors should make sure that their advisors have verified that this Product is suitable for the portfolio of the investor taking into account the investor's financial situation, investment experience and investment objectives.

The terms and conditions of the Product may be subject to adjustments during the lifetime of the Product as set out in the Programme.

Investors whose usual currency is not the currency in which the Product is redeemed should be aware of their possible currency risk. The value of the Product may not correlate with the value of the Underlying(s).

Market Risks

The general market performance of securities is dependent, in particular, on the development of the capital markets which, for their part, are influenced by the general global economic situation as well as by the economic and political framework conditions in the respective countries (so-called market risk). Changes to market prices such as interest rates, commodity prices or corresponding volatilities may have a negative effect on the valuation of the Underlying(s) or the Product. There is also the risk of market disruptions (such as trading or stock market interruptions or discontinuation of trading) or other unforeseeable occurrences concerning the respective Underlyings and/or their stock exchanges or markets taking place during the term or upon maturity of the Products. Such occurrences can have an effect on the time of redemption and/or on the value of the Products.

No dividend payment

This Product does not confer any claim to receive rights and/or payments of the underlying, such as dividend payments, unless explicitly stated herein, and therefore, without prejudice to any coupon or dividend payments provided for in this Termsheet, does not yield any current income. This means that potential losses in value of the Product cannot be compensated by other income.

Credit Risk of Issuing Parties

Investors bear the credit risk of the Issuing Parties of the Product. The Products constitute unsubordinated and unsecured obligations of the relevant Issuing Party and rank pari passu with each and all other current and future unsubordinated and unsecured obligations of the relevant Issuing Party. The insolvency of an Issuing Party may lead to a partial or total loss of the invested capital.

Potential Investors should note that the Issuer is not rated by the credit rating agencies, i.e. there is no credit rating for the Issuer.

Secondary Market

The Issuer and/or the Lead Manager or any third party appointed by the Issuer, as applicable, intends, under normal market conditions, to provide bid and offer prices for the Products on a regular basis (if specified in the section "General Information"). However, the Issuer and/or the Lead Manager, as applicable, make no firm commitment to provide liquidity by means of bid and offer prices for the Products, and assume no legal obligation to quote

any such prices or with respect to the level or determination of such prices. In special market situations, where the Issuer and/or the Lead Manager is/are 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 and/or the Lead Manager.

Illiquidity Risk

One or, if applicable, more of the Underlyings might be or become illiquid over the life time of the Product. Illiquidity of an Underlying might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Underlying respective to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) which might implicate a postponed redemption or delivery and/or a modified redemption amount, as reasonably determined by the Calculation Agent.

ADDITIONAL INFORMATION / DISCLAIMER

Prudential Supervision

Leonteq Securities AG is authorised as securities dealer and subject to prudential supervision by FINMA. Leonteq Securities AG, Guernsey Branch is regulated by the Guernsey Financial Services Commission ("GFSC").

Conflict of Interests

The Issuing Parties and/or the Lead Manager and/or any third party appointed by them, as the case may be, may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market as well as be active on both sides of the market at the same time in any securities, currencies, financial instruments or other assets underlying the products to which this document relates. The Issuer's and Lead Manager's and/or the appointed third party's trading and/or hedging activities related to this transaction may have an impact on the price of the Underlying and may affect the likelihood that any relevant Barrier Level, if any, is reached.

Remunerations to Third Parties

Depending on the circumstances the Issuer and/or Lead Manager may sell this Product to financial institutions or intermediaries at a discount to the Issue Price or reimburse a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" herein). For open-end products such fees will be split linearly over ten years.

In addition, for certain services rendered by distribution partners and to increase quality and services relating to the Products, the Issuer and/or Lead Manager may from time to time pay trailer fees to such third parties.

Further information is available on request.

Payment of a Coupon

If the Product stipulates the payment of a Coupon, the Investor is only entitled to receive the respective coupon payment, if he has purchased/not sold the Product at the latest on the Business Day preceding the respective Coupon Ex-Date for the then prevailing price.

No Offer

The indicative Termsheet is primarily provided for information purposes and does not constitute a recommendation, an offer or a solicitation of an offer to buy financial products.

No Representation

The Issuer, the Lead Manager and any third party appointed by them make no representation or warranty relating to any information herein which is derived from independent sources.

ADDITIONAL INFORMATION WITH REGARDS TO THE PRIVATE OFFERING IN THE EEA

The following terms apply only to the non public offering in the European Economic Area (EEA) and are to be understood in addition to the afore-mentioned provisions.

Product Documentation

This document does not constitute a prospectus within the meaning of the Directive 2010/73/EU of the European Parliament and of the Council amending the Directive 2003/71/EC of the European Parliament and Council (Prospectus Directive).

Secondary Market

The Issuer and/or the Lead Manager or any third party appointed by the Issuer, as applicable, will, under normal market conditions, provide bid and offer prices for the Products on a regular basis. In special market situations, where the Issuer and/or the Lead Manager is/are 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 and/or the Lead Manager.

No Offer

The indicative Termsheet has been prepared for discussion purposes only. It is not an offer to buy the Product described within or enter into any agreement. Neither the Issuer nor any of their officers or employees is soliciting any action based upon it. The Final Termsheet is subject to further discussion and negotiation and also subject to internal approval.

No Representation

The Issuer and/or Lead Manager makes no representation or warranty relating to any information herein which is derived from independent sources. Furthermore, the Issuer makes no representations as to (i) the suitability of the Product for any particular Investor and (ii) the appropriate accounting treatment or possible tax consequences of investing in the Product or (iii) the future performance of the Product either in absolute terms or relative to competing investments.

No Advice

This Termsheet should not be construed as investment, financial, strategic, legal, regulatory, accounting or tax advice. It does not take into account the particular investment objectives, financial situation or needs of individual Investors. Certain transactions, including those involving futures, options and high yield securities, give rise to substantial risk and are not suitable for all investors. Accordingly Investors should consider whether the Product described herein is suitable for their particular circumstances and should consult their own accounting, tax, investment and legal advisors before investing. The Issuer does not accept any responsibility to update any opinions or other information contained in this Termsheet.

EEA Selling Restrictions

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each purchaser of the Products represents and agrees that with effect from and including the date on which the Prospectus Directive is

implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of the Products to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Products which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, and the Issuer has consented in writing to the use of the prospectus for the purpose of that offer, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Products in that Relevant Member State:

- solely to legal entities which are qualified investors as defined in the Prospectus Directive,
- at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Lead Manager; or;
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Products shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Products to the public" in relation to any Products in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Products to be offered so as to enable an investor to decide to purchase or subscribe the Products, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

FOR DISTRIBUTION IN SWITZERLAND

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