

## Long Mini-Future on SMI® (Swiss Market Index)

### PRODUCT DESCRIPTION

Due to the low amount of capital employed, Mini-Futures enable overproportionate participation in the performance of the underlying in accordance with the leverage and can therefore be used for speculation or the hedging of positions. With Long Mini-Futures, the investor is betting on the price of the underlying rising and with Short Mini-Futures on the price of the underlying falling. Mini-Futures do not have a fixed maturity. When the underlying reaches the stop-loss level, however, they expire immediately and as a rule are redeemed at their then realisable market value.

**In Switzerland, these financial instruments are considered structured products. They are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA), and are therefore not subject to the regulations of the CISA or the supervision of the Swiss Financial Market Supervisory Authority FINMA. The investors bear the issuer's or the guarantor's credit risk.**

#### Product information

Issuer	Bank Vontobel AG, Zürich (Moody's Counterparty Risk Assessment A2 (cr))
Lead Manager	Bank Vontobel AG, Zurich
Paying, exercise and calculation agent	Bank Vontobel AG, Zurich
SSPA product type	Mini-Future (2210), see also <a href="http://www.sspa-association.ch">www.sspa-association.ch</a>
Underlying	SMI® (Swiss Market Index) (further details on the underlying see below)
Spot reference price	CHF 7'795.99
Ratio	500.0 : 1
Type	Long
Clearing	Cash settlement
Issue price	CHF 0.51
Financing level at initial fixing	CHF 7'564.36
Stop-loss level at initial fixing	CHF 7'640
Initial fixing	February 15, 2016 08:14 hours CET
Payment	February 22, 2016
First exercise day	February 17, 2016
Observation period	From initial fixing; continuous monitoring
Maturity	Open End
Leverage at initial fixing	30.57
Financing spread at initial fixing	3.5 %
Maximum financing spread	5.0 %
Stop-loss buffer at initial fixing	1.0 %
Maximum stop-loss buffer	15.0 %
Rounding of financing level	0.01
Rounding of stop-loss level	10
Swiss Sec. No. / ISIN / Telekurs Symbol	31378586 / CH0313785864 / MSMA6V
Reference currency	CHF; issue, trading and redemption are in the reference currency

#### Further information

Issue volume	50'000'000 Mini Future, with the option to increase
Minimum investment	1 Mini Future
Minimum exercise volume	1 Mini Future or multiples thereof

## Termsheet - MINI-FUTURE

Minimum trading lot	1 Mini Future
Exercise rights of the holder	<p>The owner is entitled to exercise his Mini-Futures from the first exercise day based on applicable terms and conditions and barring the occurrence of a stop-loss event on this day and on each following trading day, or to demand payment of a corresponding redemption amount. The corresponding declaration of the exercise must have arrived at the exercise agent by 11.00 am (Swiss time).</p> <p>Exercise Agent: Bank Vontobel AG, Zürich, attn. Corporate Actions, Gotthardstrasse 43, 8022 Zürich, Phone, +41 (0)58 283 74 69, Fax +41 (0)58 283 51 60.</p>
Issuer's call right	The issuer is entitled to terminate unexercised Mini-Futures certificates on any trading day, but no sooner than three months after provisional admission to trading on the SIX Swiss Exchange.
Valuation date	The valuation date is the trading day on which the Mini-Futures are either (a) exercised by the holder in accordance with the terms and conditions governing Mini-Futures, or (b) terminated by the issuer or (c) on which a stop-loss event occurs, whereby the occurrence of a stop-loss event precedes the Mini-Future's exercise by the holder or termination by the issuer.
Stop-loss event	A stop-loss event occurs when the price of the relevant underlying of the Mini-Futures touches or falls below (Long Mini-Futures) or touches or exceeds (Short Mini-Futures) the current stop-loss level within the observation period and during the trading hours of the underlying whereby the Mini-Futures are automatically exercised and expire. In this event, the redemption amount corresponds to the then realisable stop-loss liquidation price.
Stop-loss liquidation price	A price determined by the Paying and Calculation Agent, which is derived from a value for the relevant underlying within a period of one hour during the underlying's trading hours after the stop-loss event has occurred. If a stop-loss event occurs less than one hour before the end of a trading hour, the period is then carried over to the next trading day.
Redemption amount upon exercise or termination	<p>For each Mini-Future exercised or terminated, the following amount is paid back to the investor in the reference currency:</p> $\max(0; (\text{final fixing price} - \text{current financing level}) / \text{ratio}) * \text{FX}$ <p>whereby FX is the current Interbank conversion rate of the trading currency of the underlying into the reference currency.</p> <p>The redemption amount is paid out five trading days after the valuation date. The value achieved when calculating the redemption amount is rounded up and off, respectively, to two decimal points.</p>
Final fixing price	The final fixing price is equal to the relevant valuation price on the valuation date in the event of (a) exercise by the holder of the Mini-Future or (b) termination by the issuer, whereas in the event of (c), the occurrence of a stop-loss event, the final fixing price is equal to the stop-loss liquidation price.
Relevant valuation price	The Closing price determined by the place of determination
Trading day	A trading day for Mini-Futures is a day on which the Mini-Futures are traded on the SIX Swiss Exchange.
Current financing level	<p>The current financing level of the Long Mini-Future is adjusted by the Paying and Calculation Agent at the end of each adjustment day in accordance with the following formula:</p> $FL(n) = FL(a) + \frac{(r + FS) \cdot FL(a) \cdot n}{360} - \text{divf} \cdot \text{div}$ <p>whereby:</p> <p>FL(n): Financing level following adjustment = current financing level.</p> <p>FL(a): Financing level before adjustment.</p> <p>r: Deposit interest rate (LIBOR or EURIBOR); the current money market interest rate determined by the Paying and Calculation Agent for overnight deposits in the underlying's trading currency.</p> <p>FS: Current financing spread.</p> <p>n: Number of calendar days between the current adjustment day (exclusive) and the next adjustment day (inclusive).</p> <p>divf: Taxation factor for a possible dividend payment. The taxation factor is between zero and one, and is established by the Calculation Agent at its own discretion.</p> <p>div: Dividends (or other payments) since the last adjustment.</p> <p>The result of the calculation is rounded up (Long) or off (Short) to the next multiple of the rounding of the financing level.</p>
Adjustment day	Each trading day for Mini-Futures
Adjustment day for stop-loss level	The first adjustment day of each month and each ex-dividend day of the underlying. If the Calculation Agent deems it necessary, at its own discretion an adjustment may be made on each trading day for Mini-Futures.

Current financing spread	The current financing spread is fixed by the Paying and Calculation Agent at its own discretion within a range of between zero and the maximum financing spread on each adjustment day.
Current stop-loss buffer	A buffer within the range of between zero and the maximum stop-loss buffer determined by the Paying and Calculation Agent on each adjustment day for the stop-loss level.
Current stop-loss level	A value determined on each adjustment day for the stop-loss level by the Paying and Calculation Agent after adjustment of the current financing level, according to the following formula and rounded up (Long) or rounded off (Short) to the next multiple of the rounded stop-loss level: Current financing level * (100% + current stop-loss buffer)
Clearing / Settlement	Clearstream (Luxembourg), Euroclear Brussels, SIS
Listing	Will be applied for on the SIX Swiss Exchange
Publication of notifications and adjustments	All notifications to investors concerning the products and adjustments to the product terms (e.g. due to corporate actions) are published under the "Product history" of the respective product at <a href="http://www.derinet.ch">www.derinet.ch</a> , and, in the case of products listed on the SIX Swiss Exchange, in accordance with the valid provisions at <a href="http://www.six-swiss-exchange.com">www.six-swiss-exchange.com</a> .
Secondary market	Secondary market trading is ensured over the entire term.
Fiscal treatment in Switzerland	Gains from this product are not subject to direct federal taxes. Neither withholding tax nor the stamp duty at issuance is imposed. Secondary market transactions are not subject to the Swiss securities transfer tax. If delivery of the underlying is stipulated, the securities transfer tax may, however, be imposed. For Swiss paying agents this product is not subject to the EU tax on interest. The taxation mentioned is a non-binding and non-exhaustive summary of the applicable treatment of Swiss-domiciled private investors for tax purposes. The investor's specific circumstances, however, are not taken into account. We point out that Swiss and/or foreign tax law or the authoritative practice of Swiss and/or foreign tax authorities can change at any time or specify further tax or charge liabilities (possibly even with retrospective effect). The levying and transferring of further taxes and charges, such as (foreign) transaction taxes, taxes at source and/or withholding taxes, to the investor remains expressly reserved (see also the corresponding tax law explanations in the issuance programme). Potential investors should have the tax effects of the purchase, holding, sale or repayment of this product examined by their own tax adviser - especially with respect to the effects of taxation under another jurisdiction.
Security	The Structured Products are issued in the form of non-certificated book-entry debt securities of the issuer. No certificates, no printing of bonds.
Applicable law/place of jurisdiction	Swiss Law/Zurich 1, Switzerland
Prudential supervision	As a bank and prudentially supervised financial intermediary, Bank Vontobel AG is subject to the supervision of individual banks, while Vontobel Holding AG and Vontobel Financial Products Ltd., as group member companies, are subject to complementary, consolidated group supervision by the Federal Financial Markets Regulator FINMA. Vontobel Financial Products Ltd. is included in the register of the Dubai International Finance Centre as a non-regulated company. Neither Vontobel Financial Products Ltd. nor Vontobel Holding AG is a financial intermediary subject to prudential supervision within the meaning of Article 5 1a) 1-4 CISA.
Description of the underlying SMI® (Swiss Market Index)	As a blue chip index, the SMI® is Switzerland's most important stock index and comprises the 20 largest equities in Switzerland's overall stock market index (Swiss Performance Index). The SMI® represents a major part the total capitalisation of the Swiss equity market. The Product is not sponsored, endorsed, sold or promoted by SIX Swiss Exchange and SIX Swiss Exchange makes no representation regarding the advisability of investing in the Product. The SMI® is a registered trademark of SIX Swiss Exchange and has been licensed. Index Type: Price index Place of determination: SIX Swiss Exchange Index currency: CHF; one index point corresponds to CHF 1.00 Identification: ISIN CH0009980894 / Swiss Sec. No. 998089 / Bloomberg <SMI Index> Futures exchange: Eurex; the calculation agent can determine another futures exchange at its discretion Performance: Available at <a href="http://www.bloomberg.com">www.bloomberg.com</a> (Symbol: SMI:IND) Index calculation details: Available at <a href="http://www.six-swiss-exchange.com">www.six-swiss-exchange.com</a> Index calculation adjustments: Available at <a href="http://www.six-swiss-exchange.com">www.six-swiss-exchange.com</a>

## PROSPECTS OF PROFIT AND LOSSES

Mini-Futures offer the opportunity to benefit overproportionally from a positive (Long Mini-Futures) or negative performance (Short Mini-Futures) by the underlying. The potential for profit is thus basically unlimited for Long Mini-Futures; for Short Mini-Futures, the maximum potential for profit is limited and reached when the market price of the underlying drops to zero. The potential loss of Mini-Futures is limited to the amount of capital invested. Based on the leverage effect, changes in the value of the underlying can overproportionally affect the value of Mini-Futures. There is a possible profit from the positive difference between the sales price that is achieved or the repayment amount and the issuing or purchase price that is paid. The redemption amount receivable in the event of any exercise of the Mini-Future depends on the figure by which the final fixing price exceeds (Long Mini-Futures) or falls below (Short Mini-Futures) the current financing level. Mini-Futures do not yield a current income. As a rule, they lose value if in the case of Long Mini-Futures the price of the underlying price does not rise or in the case of Short Mini-Futures there is no fall in the price of the underlying. Accordingly, Long Mini-Futures always lose value; Short Mini-Futures, on the other hand, lose value under certain conditions even if the price of the underlying remains stable. Mini-Futures have no set maturity but immediately become worthless when the stop-loss level is reached and as a rule are redeemed at their then achievable market value. The stop-loss level is adjusted periodically. The risk for an investment in Mini-Futures is based not only on the leverage effect but also on the danger of a stop-loss level event occurring, which is significantly greater than it would be for a direct investment.

## SIGNIFICANT RISKS FOR INVESTORS

### Currency risks

If the underlying(s) is(are) denominated in a currency other than the product's reference currency, investors should bear in mind that this may involve risks due to fluctuating exchange rates and that the risk of loss not only depends on the performance of the underlying(s) but also on any unfavourable performance of the other currency or currencies. This does not apply to currency-hedged products (quanto structure).

### 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 ("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 structured product. There is also a 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 structured products. Such occurrences can have an effect on the time of redemption and/or on the value of the structured products.

In the event of trading restrictions, sanctions and similar occurrences, the issuer is entitled, for the purpose of calculating the value of the structured product, to include at its own discretion the underlying instruments at their most recently traded price, at a fair value to be established at its sole discretion or indeed as worthless, and/or additionally to suspend pricing in the structured product or liquidate the structured product prematurely.

### Secondary market risks

Under normal market conditions, the issuer or the lead manager intend to post bid- and ask-prices on a regular basis. However, neither the issuer nor the lead manager is under any obligation with respect to investors to provide such bid- and ask-prices for specific order or securities volumes, and there is no guarantee of a specific liquidity or of a specific spread (i.e. the difference between bid- and ask-prices), for which reason investors cannot rely on being able to purchase or sell the structured products on a specific date or at a specific price.

### Issuer risk

The value of structured products may depend not only on the performance of the underlying(s), but also on the creditworthiness of the issuer/guarantor, which may change during the term of the structured product. The investor is exposed to the risk of default of the issuer/guarantor. For further information on the rating of Vontobel Holding AG or Bank Vontobel AG, please see the issuance programme.

### Classification

In Switzerland, these financial instruments are considered structured products. They are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA), and are therefore not subject to the regulations of the CISA or the supervision of the Swiss Financial Market Supervisory Authority FINMA.

This financial instrument is not an investment fund or an investment company as defined in Art. 2 of the law dated 19 May 2005 on investment companies (IUG, 951.30). The financial instrument is not subject to supervision by the Liechtenstein Financial Market Authority (FMA), and investors do not enjoy the investor protection provided by the IUG.

**Restrictions on sales**

U.S.A., U.S. persons, UK

DIFC/Dubai: This document relates to an Exempt Offer in accordance with the Markets Rules Module (MKT) of the Dubai Financial Services Authority (DFSA). This document is intended for distribution only to a person entitled to receive it under Rule 2.3.1 of the MKT. It must not be delivered to, or relied on, by any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document nor taken any steps to verify the information set out in it, and has no responsibility for it. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document, you should consult an authorised financial adviser.

European Economic Area (EEA): Investors should note the selling restrictions: since neither this termsheet nor the issuance programme meets the requirements of the EU Prospectus Directive, the implementing regulations or the national transposing measures, this security may not be publicly offered for sale within the European Economic Area (EEA) until a corresponding prospectus has been drawn up and approved by the supervisory authority, unless: (a) this offer is aimed exclusively at qualified investors, (b) this offer is aimed at fewer than 150 investors in total in each state in the EEA, (c) the minimum investment amount per investor is EUR 100,000 or the securities have a minimum nominal value of EUR 100,000, or (d) the selling price of all the securities offered is less than EUR 100,000.

**Further risk information**

Please also note the additional risk factors and selling restrictions set out in detail in the issuance programme.

**LEGAL NOTICE****Product documentation**

Only the Termsheets published at [www.derinet.ch](http://www.derinet.ch) along with the associated notices and adjustments shall be legally valid.

The original version of the Termsheet is in German; foreign-language versions constitute non-binding translations. The issuer and/or Bank Vontobel AG is entitled to correct spelling mistakes, calculation or other obvious errors in this Termsheet and to make editorial changes, as well as to amend or supplement contradictory or incomplete provisions, without the consent of the investors.

Up until the fixing date, the product terms designated as such of the "Termsheet (Indication)" are indicative and may be adjusted. The issuer is under no obligation to issue the product. The "Termsheet (Final Terms)", which is issued on the date of the initial fixing, contains a summary of the most important final terms and information, and constitutes the "Final Terms" pursuant to art. 21 of the Additional Rules for the Listing of Derivates of SIX Swiss Exchange. Together with the current issuance programme, registered with SIX Swiss Exchange (the "Issuance Programme"), the Final Terms constitute the complete listing prospectus according to the Listing Rules. In the event of discrepancies between this Termsheet and the Issuance Programme, the provisions of the Final Terms shall take precedence.

For structured products not listed on the SIX Swiss Exchange, the Termsheet (Indication) constitutes the preliminary simplified prospectus and the Termsheet (Final Terms) constitutes the definitive simplified prospectus pursuant to art. 5 of the Federal Act on Collective Investment Schemes (CISA). In addition, reference is also made (with the exception of the provisions authoritative for a listing) to the Issuance Programme, in particular to the detailed information on risks contained therein, to the General Terms and Conditions and to the descriptions of the corresponding product types.

During the entire term of the structured product, all documents may be ordered free of charge from Bank Vontobel AG, Financial Products documentation, Bleicherweg 21, 8022 Zurich (telephone: +41 (0)58 283 78 88, fax +41 (0)58 283 57 67). Termsheets may also be downloaded on the [www.derinet.ch](http://www.derinet.ch) website.

Vontobel explicitly rejects any liability for publications on other Internet platforms.

**Further information**

The list and information shown do not constitute a recommendation concerning the underlying in question; they are for information purposes only and do not constitute either an offer or an invitation to submit an offer, or a recommendation to purchase financial products. Indicative information is provided without warranty. The information is not a substitute for the advice that is indispensable before entering into any derivative transaction. Only investors who fully understand the risks of the transaction to be concluded and who are commercially in a position to bear the losses which may thereby arise should enter into such transactions. Furthermore, we refer to the brochure "Special Risks in Securities Trading" which you can order from us. In connection with the issuing and/or selling of structured products, companies from the Vontobel Group can pay reimbursements to third parties directly or indirectly in different amounts. Such commission is included in the issue price. You can obtain further information from your sales agent upon request. We will be happy to answer any questions you may have concerning our products on +41 (0)58 283 78 88 from 08.00 – 17.00 CET on bank business days. Please note that all calls to this number are recorded. By calling this number, your consent to such recording is deemed given.

**Material changes since the most recent annual financial statements**

Subject to the information in this Termsheet and the Issuance Programme, no material changes have occurred in the assets and liabilities, financial position and profits and losses of the issuer/guarantor since the reporting date or the close of the last financial year or the interim financial statements of the issuer and, as the case may be, of the guarantor.

**Responsibility for the listing prospectus**

Bank Vontobel AG takes responsibility for the content of the listing prospectus and hereby declares that, to the best of its knowledge, the information is correct and that no material facts or circumstances have been omitted.

Zürich, February 15, 2016 / Deritrade-ID: 116670006  
Bank Vontobel AG, Zurich

Your relationship manager will be happy to answer any questions you may have.



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Performance creates trust

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