



**BZX Information Circular 11-120**  
**BYX Information Circular 11-120**

**Date:** October 18, 2011

**Re:** VelocityShares™ ETNs due October 14, 2031

Pursuant to Rule 14.1(c)(2) of the Rules of BATS Exchange, Inc. and BATS Y-Exchange, Inc. (the "Exchange"), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchange as UTP Derivative Securities pursuant to Chapter XIV of the Exchange's Rules.

<b><u>Security ("Notes")</u></b>	<b><u>Symbol</u></b>
VelocityShares 3x Inverse Gold ETN linked to the S&P GSCI Gold Index	DGLD
VelocityShares 3x Inverse Silver ETN linked to the S&P GSCI Silver Index	DSLX
VelocityShares 2x Inverse Palladium ETN linked to the S&P GSCI Palladium Index	IPAL
VelocityShares 2x Inverse Platinum ETN linked to the S&P GSCI Platinum Index	IPLT
VelocityShares 2x Long Palladium ETN linked to the S&P GSCI Palladium Index	LPAL
VelocityShares 2x Long Platinum ETN linked to the S&P GSCI Platinum Index	LPLT
VelocityShares 3x Long Gold ETN linked to the S&P GSCI Gold Index	UGLD
VelocityShares 3x Long Silver ETN linked to the S&P GSCI Silver Index	USLV

**Commencement of Trading on the Exchange:** October 19, 2011

**Issuer/Trust:** Credit Suisse AG

**Issuer Website:** [www.velocityshares.com](http://www.velocityshares.com)

**Primary Listing Exchange:** NYSE Arca

**Primary Exchange Circular:** RB-11-127

**Registration Statement:** No. 333-158199-10

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product on the Exchange, as well as to provide certain characteristics and features of the Notes.

**Background Information on the Notes**

Credit Suisse AG (the "Issuer") has issued Exchange Traded Notes ("ETNs" or "Notes") based on various commodity indices (each such index, an "Index" and collectively the "Indices"). The maturity date for each ETN is October 14, 2031. The ETNs were priced at \$50 each and do not guarantee any return of principal at maturity and do not pay any interest.

The return on the ETNs of any series will be based on the performance of the applicable Index during the term of such ETNs. Each series of ETNs tracks the daily performance of the S&P GSCI Gold Index ER, the S&P GSCI Silver Index ER, the S&P GSCI Platinum Index ER or the S&P GSCI Palladium Index ER. Each Index comprises futures contracts on a single commodity and is calculated according to the methodology of the S&P GSCI Index (the "S&P GSCI"). The fluctuations in the values of the Indices are intended generally to correlate with changes in the prices of such physical commodities in global markets. The S&P GSCI Gold Index ER, the S&P GSCI Silver Index ER, the S&P GSCI Platinum Index ER and the S&P GSCI Palladium Index ER are composed entirely of gold, silver, platinum or palladium futures contracts, respectively. The Indices are determined, composed and calculated by Standard & Poor's ("S&P" or the "Index Sponsor"). S&P calculates the levels of the Indices on each business day and publishes them on the Bloomberg pages specified in the list below.

3x Long Gold ETNs, 3x Inverse Gold ETNs: S&P GSCI Gold Index ER-SPGSGCP  
3x Long Silver ETNs, 3x Inverse Silver ETNs: S&P GSCI Silver Index ER-SPGSSIP  
2x Long Platinum ETNs, 2x Inverse Platinum ETNs: S&P GSCI Platinum Index ER-SPGSPLP  
2x Long Palladium ETNs, 2x Inverse Palladium ETNs: S&P GSCI Palladium Index ER-SPGSPAP

If the ETNs have not been previously redeemed or accelerated, on the maturity date investors will receive for each \$50 stated principal amount of the ETNs a cash payment equal to the applicable Closing Indicative Value of such ETNs on the Final Valuation Date (the "Final Indicative Value"), as calculated by the Calculation Agents. If the Final Indicative Value is zero, the Maturity Redemption Amount will be zero.

The Closing Indicative Value for each series of ETNs on the Inception Date will equal \$50 (the "Initial Indicative Value"). The Closing Indicative Value on each calendar day following the Inception Date for each series of ETNs will be equal to (1)(a) the Closing Indicative Value for such series of ETNs on the immediately preceding calendar day times (b) the Daily ETN Performance for such series of ETNs on such calendar day minus (2) the Daily Investor Fee for such series of ETNs on such calendar day. The Closing Indicative Value will never be less than zero. If the Intraday Indicative Value of any series of ETNs is equal to or less than zero at any time or the Closing Indicative Value is equal to zero on any Index Business Day, the Closing Indicative Value of such series of ETNs on that day, and all future days, will be zero. If any series of ETNs undergoes a split or reverse split, the Closing Indicative Value of such series of ETNs will be adjusted accordingly. VelocityShares Index & Calculation Services, a division of VelocityShares LLC ("VIC") or its affiliate is responsible for computing and disseminating the Closing Indicative Value.

The Daily ETN Performance for any series of ETNs on any Index Business Day will equal (1) the number one plus (2) the Daily Accrual for such series of ETNs on such Index Business Day plus (3) the product of (a) the Daily Index Performance for such series of ETNs on such Index Business Day times (b) the Leverage Amount for such series of ETNs. The Daily ETN Performance is deemed to be equal to one on any day that is not an Index Business Day.

The Daily Index Performance for any series of ETNs on any Index Business Day will equal (1)(a) the closing level of the applicable Index on such Index Business Day divided by (b) the closing level of the applicable Index on the immediately preceding Index Business Day minus (2) the number one. If a Market Disruption Event occurs or is continuing on any Index Business Day, the Calculation Agents will determine the Daily Index Performance on such Index Business Day using an appropriate closing level of the applicable Index for such Index Business Day taking into account the nature and duration of such Market Disruption Event. The Daily Index Performance is deemed to be equal to zero on any day that is not an Index Business Day.

On any Index Business Day, the Daily Investor Fee for any series of ETNs will be equal to the product of (1) the Closing Indicative Value for such series of ETNs on the immediately preceding Index Business Day times (2)(a) the Investor Fee Factor for such series of ETNs times (b) 1/365 times (c) d, where d is the number of calendar days from and including the immediately prior Index Business Day to but excluding the date of determination. The Daily Investor Fee is deemed to be zero on any day that is not an Index Business Day.

If the level of the applicable Index decreases or does not increase sufficiently in the case of the Leveraged Long ETNs or if it increases or does not decrease sufficiently in the case of the Leveraged Inverse ETNs (in each case in addition to the Daily Accrual) to offset the sum of the Daily Investor Fees (and in the case of Early Redemption, the Early Redemption Charge) over the term of the ETNs, you will receive less than the principal amount of your investment at maturity or upon early redemption or acceleration of the ETNs.

Please see the prospectus for the Notes for more details regarding the calculations and details.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

### **Exchange Rules Applicable to Trading in the Notes**

Trading in the Notes on BATS is subject to BATS equity trading rules.

### **Trading Hours**

The Notes will trade on BATS between 8:00 a.m. and 5:00 p.m. ET.

Please note that trading in the Notes during the Exchange's Pre-Opening and After Hours Trading Sessions may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Pre-Opening and After Hours Trading Sessions, (2) lower liquidity in the Pre-Opening and After Hours Trading Sessions may impact pricing, (3) higher volatility in the Pre-Opening and After Hours Trading Sessions may impact pricing, (4) wider spreads may occur in the Pre-Opening and After Hours Trading Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Pre-Opening or After Hours Trading Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

### **Suitability**

Trading in the securities on BATS will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.

### **Trading Halts**

BATS will halt trading in the shares of a security in accordance with BATS Rule 14.1(c)(4). The grounds for a halt under BATS Rule 14.1(c)(4) include a halt by the primary market because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, or a halt for other regulatory reasons. In addition, BATS will stop trading the shares of a security if the primary market de-lists the security.

**This Information Circular is not a statutory prospectus. BATS Members should consult the prospectus for a security and the security's website for relevant information.**

Please contact Membership Services at 913.815.7002 with any inquiries regarding this Information Circular.