



**BZX Information Circular 13-075**  
**BYX Information Circular 13-075**

**Date:** September 24, 2013

**Re:** Credit Suisse FI Enhanced Europe 50 ETNs

Pursuant to Rule 14.1(j)(2) of the Rules of BATS Exchange, Inc. and 14.1(c)(2) of the Rules of 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.

<u>Security ("Notes")</u>	<u>Symbol</u>
Credit Suisse FI Enhanced Europe 50 ETNs	FIEU

**Commencement of Trading on the Exchange:** September 25, 2013

**Issuer/Trust:** Credit Suisse AG

**Primary Listing Exchange:** NYSE Arca

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") due September 10, 2018 that are linked to the performance of the STOXX Europe 50 USD (Gross Return) Index (the "Index"). The ETNs do not guarantee any return of principal at maturity and do not pay any interest during their term.

The return on the ETNs is linked to a leveraged participation in the performance of the Index. The Index is composed of 50 European blue-chip companies (the "Index Constituents") selected from within the STOXX Europe 600 Index (the "Parent Index"). The Parent Index contains the 600 largest stocks traded on the major exchanges of 18 European countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. The Index is calculated, maintained and published by STOXX Limited (the "index sponsor"), which launched the Index on March 27, 2012.

If the ETNs have not previously been redeemed or accelerated, at maturity investors will receive for each \$100.00 stated principal amount of the ETNs a cash payment equal to the arithmetic average of the Closing Indicative Value on each of the immediately preceding five Trading Days to and including the Final Valuation Date (the "Final Valuation Period"). Any payment on the ETNs is subject to the Issuer's ability to pay its obligations as they become due. In no event will the payment at maturity be less than zero.

The Closing Indicative Value for the ETNs on the Inception Date will equal \$100 (the "Initial Indicative Value"). The Closing Indicative Value on any ETN Business Day after the Inception Date will be equal to (1) the Closing Indicative Value on the immediately preceding ETN Business Day plus (2) the Index Amount on the current ETN Business Day minus (3) the Investor Fee on such ETN Business Day minus

(4) the Exposure Fee on such ETN Business Day minus (5) the Rebalance Fee on such ETN Business Day, if applicable; provided that if the Intraday Indicative Value of the ETNs is equal to or less than zero at any time or the Closing Indicative Value is equal to zero on any Trading Day, the Closing Indicative Value on that day, and all future days, will be zero.

The Index Amount for the ETNs on the Inception Date will equal 0. On any ETN Business Day after the Inception Date, the Index Amount will be equal to the product of (1) the Index Units as of the immediately preceding ETN Business Day times (2) the difference between (a) the Closing Level of the Index on the current ETN Business Day minus (b) the Closing Level of the Index on the immediately preceding ETN Business Day.

On any ETN Business Day from and including the Inception Date to but excluding the first Rebalance Date, the Index Units will be equal to the product of (1) the Leverage Factor times (2) the Initial Indicative Value divided by (3) the Initial Index Level. The Index Units will be adjusted upon the occurrence of a Rebalance Event. From and including any Rebalance Date, the Index Units will equal (1) the Leverage Factor times (2) the Closing Indicative Value on the most recent Rebalance Trigger Date for which the corresponding Rebalance Date falls on or before the current ETN Business Day divided by (3) the Closing Level of the Index on such Rebalance Trigger Date.

The Leverage Factor is 2.

On any ETN Business Day following the Inception Date, the Investor Fee will be equal to the product of (1) the Closing Indicative Value as of the previous ETN Business Day times (2) 0.05% times (3) the Day Count Fraction.

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

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.