Information Circular 08-172

Date: November 3, 2008

Re: E-TRACS UBS Bloomberg CMCI Platinum Exchange-Traded Notes

BATS Exchange, Inc. ("BATS") commenced operating as a national securities exchange for trading non-BATS listed securities on October 24, 2008. As a result, in the near future the following ETNs will be traded by BATS as an exchange on an unlisted trading privileges (UTP) basis for the first time:

Exchange-Traded Note	Symbol
E-TRACS Long Platinum — Linked to the Inverse Performance of the UBS Bloomberg CMCI Platinum Excess Return due May 14, 2018	PTM
E-TRACS Short Platinum — Linked to the Inverse Performance of the UBS Bloomberg CMCI Platinum Excess Return due May 14, 2018	PTD

Background Information on the Securities

As more fully explained in the Registration Statement No. 333-132747 for UBS AG Exchange Traded Access Securities ("E-TRACS") ETNs, the Securities are linked to the performance of an index, as described below. The purpose of this Information Circular is to outline various rules and policies that will be applicable to trading the Securities. For a more complete description of the Securities and the payment at maturity, early repurchase provisions, early repurchase mechanics, valuation, fees and risk factors, consult the applicable prospectus ("Prospectus").

Description of the Securities

E-TRACS Long Platinum — Linked to the Inverse Performance of the UBS Bloomberg CMCI Platinum Excess Return due May 14, 2018 provide exposure to potential price appreciation in the UBS Bloomberg CMCI Platinum Total Return, subject to a fee amount of 0.65% per annum (the "Fee Amount"). Accordingly, an increase in the price of platinum will generally result in an increase in the level of the Index and, therefore, the Securities while a decrease in the price of platinum will generally result in a decrease in the level of Index and, therefore, the Securities.

E-TRACS Short Platinum — Linked to the Inverse Performance of the UBS Bloomberg CMCI Platinum Excess Return due May 14, 2018 provide short, or inverse, exposure to the UBS Bloomberg CMCI Platinum Excess Return plus a fixed-income return based on a hypothetical 91-day Treasury Bill portfolio, subject to a fee amount of 0.65% per annum (the "Fee Amount"). Accordingly, the value of the Securities generally will increase as the price of platinum and the level of the Index decrease (calculated as described herein) and decrease as the price of platinum and the level of the Index increase, in each case subject to a positive adjustment based on the fixed income return.

The maturity dates for each of the above-mentioned UBS E-TRACS ETNs is May 14, 2018.

Early Redemption

Investors may elect to require UBS to redeem their Securities, in whole or in part, prior to the Maturity Date (as defined in the Prospectus) beginning on a date specified in the Prospectus, subject to a minimum redemption amount of at least 100,000 Securities ($2,500,000) aggregate principal amount). A redeeming investor will receive a cash payment equal to the Redemption Amount, as defined in the Prospectus, which will be determined on the applicable valuation date. For a complete description of the redemption process, see the Prospectus.

Indicative Value

An intraday "Indicative Value" meant to approximate the intrinsic economic value of the Securities will be published for the ETNs, as noted below:

Exchange-Traded Note	Indicative Value
E-TRACS Long Platinum ETN	PTM.IV
E-TRACS Short Platinum ETN	PTD.IV

The actual trading price of the ETNs may vary significantly from their Indicative Value.

Exchange Rules Applicable to Trading in the Shares

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

Trading Hours

The values of the indexes underlying the Shares are disseminated to data vendors every 15 seconds. The Shares will trade on BATS between 8:00 a.m. and 4:00 p.m. ET. Please note that trading in the Securities during the Exchange's pre-opening session may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the pre-opening session, (2) the indicative value may not be updated during the pre-opening session, (3) lower liquidity in the pre-opening session may impact pricing, (5) higher volatility in the pre-opening session may impact pricing, (6) wider spreads may occur in the pre-opening session, and (7) because the indicative value is not calculated or widely disseminated during the pre-opening session, an investor who is unable calculate an implied value for the Securities in that session may be at a disadvantage to market professionals.

Suitability

Trading in the Shares on BATS will be subject to applicable suitability rules.

Trading Halts

BATS will halt trading in the Shares of a Fund 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 Fund 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 Fund if the primary market de-lists the Fund.

Delivery of a Prospectus

BATS Members are advised to consult the "Supplemental Plan of Distribution" in the Prospectus regarding prospectus delivery requirements.

No-Action Relief Under Federal Securities Regulations

The Securities and Exchange Commission has issued no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934 (the "Exchange Act"), regarding trading in Barclays iPath Exchange Traded Notes (SEC Letter dated July 27, 2006) and Deutsche Bank AG Exchange-Traded Notes (SEC Letter dated October 17, 2007) for securities with structures similar to that of the securities described herein (the "Letters"). As what follows is only a summary of the relief outlined in the Letters, the Exchange also advises interested members to consult the Letters, for more complete information regarding the matters covered therein.

Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits a "distribution participant" and the issuer or selling security holder, in connection with a distribution of securities, from bidding for, purchasing, or attempting to induce any person to bid for or purchase, any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities, and affiliated purchasers of such persons.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 101 of Regulation M against persons who may be deemed to be participating in a distribution of the notes to bid for or purchase the notes during their participation in such distribution.

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule 100 of Regulation M defines "distribution" to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 102 of Regulation M against Barclays and its affiliated purchasers who bid for or purchase or redeem notes during the continuous offering of the notes.

Section 11(d)(1) of the Exchange Act; Exchange Act Rule 11d1-2

Section 11(d)(1) of the Exchange Act generally prohibits a person who is both a broker and a dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he or she participated as a member of a selling syndicate or group within thirty days prior to such transaction.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Section 11(d)(1) of the Exchange Act against broker-dealers who treat the notes, for purposes of Rule 11d1-2, as "securities issued by a registered . . . open-end investment company as defined in the Investment Company Act" and thereby, extend credit or maintain or arrange for the extension or maintenance of credit on the notes that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

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

Please contact Eric Swanson, 212.378.8523, eswanson@batstrading.com, with any inquiries regarding this Information Circular.