

## Step Certificate 2012 on Nestle, Novartis Alcon Basket, Roche, Swisscom, Zurich Insurance

**100.00% Capital Protection - Worst of style**

Final Fixing Date 29.06.2022; issued in CHF; listed on SIX Swiss Exchange

**This Product is collateralised in accordance with the terms and conditions of the SIX Swiss Exchange Ltd Framework Agreement for Collateral Secured Instruments. More detailed information regarding the collateralisation can be found in the section: "[Information about Collateralisation](#)".**

*This document contains a summary of information of the Product and is for information purposes only. Only the Final Termsheet in English language together with the Programme containing all further relevant terms and conditions, as amended from time to time, shall form the entire documentation for this Product ("Product Documentation").*

**This Product is a derivative instrument. 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.**

### I. PRODUCT DESCRIPTION

#### Market expectation

Price increase of the Underlyings.  
Increasing Volatility of the Underlyings.  
Possibility of large price decline.

#### Product description

This Product entitles the Investor on the Redemption Date to a Cash Settlement in the Settlement Currency which is linked to the performance of the Underlying with the Worst Performance, as described under "Redemption".

**The Terms and Conditions of this Product have been adjusted due to Corporate Actions.**

#### Underlying

Underlying	Related Exchange	Bloomberg Ticker	Initial Fixing Level (100%)*	Strike Level (100.00%)*
NESTLE SA-REG	SIX Swiss Exchange	NESN SW	CHF 56.40	CHF 56.40
NOVARTIS ALCON BASKET	SIX Swiss Exchange	N/A	CHF 53.10	CHF 53.10
ROCHE HOLDING AG-GENUSSCHEIN	SIX Swiss Exchange	ROG SW	CHF 163.70	CHF 163.70
SWISSCOM AG-REG	SIX Swiss Exchange	SCMN SW	CHF 379.80	CHF 379.80
ZURICH INSURANCE GROUP AG	SIX Swiss Exchange	ZURN SW	CHF 213.00	CHF 213.00

#### Product Details

Swiss Security Number	<b>18082526</b>
ISIN	<b>CH0180825264</b>
SIX Symbol	<b>EFGADE</b>
Issue Price	102.00%
Issue Size	CHF 10'000'000 (can be increased at any time)
Denomination	CHF 1'000

\* levels are expressed in percentage of the Initial Fixing Level

Subscription End Date 29.06.2012	First Exchange Trading Date 10.07.2012	Final Fixing Date 29.06.2022				

Settlement Currency	CHF
Capital Protection	100.00%
Bondfloor at issuance*	90.53% (implied Yield: 1.00%)

## Dates

Subscription Start Date	02.04.2012
Subscription End Date	29.06.2012 14.00 CET Please note that the Subscription Period might be closed earlier.
Initial Fixing Date	29.06.2012 (or the day when the Subscription Period ends)
Issue Date	10.07.2012
First Exchange Trading Date	10.07.2012 (anticipated)
Last Trading Day/Time	29.06.2022 / Exchange market close
Final Fixing Date	29.06.2022 (subject to Market Disruption Event provisions)
Redemption Date	08.07.2022 (subject to Settlement Disruption Event provisions)

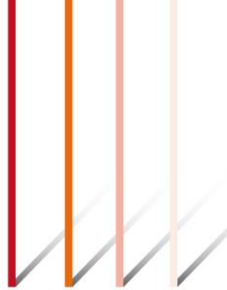
## Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date per Product a Cash Settlement in the Settlement Currency equal to the Redemption Amount which depends on the Final Fixing Level of the worst performing Underlying, as described below:

Worst Performance	Redemption Amount
≤60.00%	CHF 1'000.00
>60.00%	CHF 1'100.00
>70.00%	CHF 1'200.00
>80.00%	CHF 1'300.00
>90.00%	CHF 1'400.00
>100.00%	CHF 1'500.00
>110.00%	CHF 1'600.00
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	The lowest performance of the respective Underlyings whereby each performance is calculated by dividing the respective Final Fixing Level by the respective Initial Fixing Level, as determined by the Calculation Agent.

## General Information

Issuer	EFG International Finance (Guernsey) Ltd., St Peter Port, Guernsey
Guarantor	EFG International AG, Zurich, Switzerland (Rating: Fitch A with negative outlook, Moody's A3 with stable outlook)
Collateral Provider	EFG Financial Products AG, Zurich, Switzerland
Lead Manager	EFG Financial Products AG, Zurich, Switzerland
Calculation Agent	EFG Financial Products AG, Zurich, Switzerland
Paying Agent	EFG Financial Products AG, Zurich, Switzerland
Distribution Fees	Relevant Fees (as defined in article 26 of the General Terms and Conditions which are a part of the Programme)
Listing/Exchange	SIX Swiss Exchange; traded on Scoach Schweiz AG Listing will be applied for.
Secondary Market	Daily price indications will be available from 09:15 - 17:15 CET on <a href="http://www.efgfp.com">www.efgfp.com</a> , Thomson Reuters [ISIN] and Bloomberg [ISIN] Corp or on EFGZ.
Quotation Type	Secondary market prices are quoted in percentage.
Settlement Type	Cash Settlement
Minimum Investment	CHF 5'000
Minimum Trading Lot	CHF 1'000
Selling Restrictions	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 Issuer, Guarantor or Lead Manager.

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 the Issuer's website [www.efgfp.com](http://www.efgfp.com).

Clearing	SIX SIS Ltd, Euroclear, Clearstream
Depository	SIX SIS Ltd
Public Offering	Switzerland
Form	Uncertificated Security / Book-entry
Governing Law/Jurisdiction	Swiss/Zurich

## Taxation Switzerland

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**Swiss Federal Stamp Duty** For Swiss stamp duty purpose, the Product is treated as analogous to a bond. Therefore, secondary market transactions are in principle subject to Swiss stamp duty (TK22).

**Swiss Federal Income Tax** For tax purposes this Product is classified as transparent, where the majority of the return of the bond part is in the form of a discount or of one payment on the Redemption Date (IUP). Therefore, for private Investors with tax domicile in Switzerland holding the Product as part of their private property, the increase of the value of the bond part (according to the "Modifizierte Differenzbesteuerung") at sale or at redemption is subject to the Federal Direct Tax. The present value of the bond part at issue is the Bondfloor per unit. An Investor who buys the Product at issuance and holds it until Redemption is taxed on the difference between the Bondfloor at the Issue Date and the Bondfloor at the Redemption Date.

However, any gain derived from the option is considered as capital gain and is therefore for such taxpayers not subject to the Federal Direct Tax.

The tax treatment regarding the cantonal and communal income taxes can differ from the tax treatment regarding the Federal Direct Tax. But in general the income tax treatments are corresponding.

**Swiss Withholding Tax** The Product is not subject to the Swiss withholding tax.

**EU Savings Tax** For Swiss paying agents, the Product is not subject to the EU Savings tax (TK2).

The tax information is a non-binding summary and only provides a general overview of the potential tax consequences linked to this Product at the time of issue. Tax laws and tax doctrine may change at any time, possibly with retroactive effect.

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

Updated bondfloor information, if a bondfloor is applicable to the Product (according to "Product Details" and "Taxation Switzerland" herein), can be found on the following web page of the Swiss Federal Tax Administration (FTA): [www.ictax.admin.ch](http://www.ictax.admin.ch)

References to the Guarantor and/or the Payment Undertaker are applicable if the Product is secured by any such party, as shown in section "General Information" herein.

## Product Documentation

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Only the Final Termsheet in English language together with the Programme containing all further relevant terms and conditions, as amended from time to time (the "Programme"), shall form the entire 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.

Notices to Investors in connection with this Product shall be validly given in accordance with the terms and conditions of the Programme. In addition, any changes with regard to the terms and conditions of this Product will be published on the relevant Termsheet on the Issuer's website [www.efgfp.com](http://www.efgfp.com) under the section "Products" or, for listed products, in any other form as permitted by the rules and regulations of the SIX Swiss Exchange Ltd. Notices to Investors relating to the Issuer and/or Guarantor and/or the Payment Undertaker will be published under the section "About us" on the Issuer's website [www.efgfp.com](http://www.efgfp.com).

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at Brandschenkestrasse 90, P.O. Box 1686, CH-8027 Zurich (Switzerland), via telephone (+41-(0)58-800 1000), fax

(+41-(0)58-800 1010) or via e-mail (termsheet@efgfp.com).

## II. PROSPECTS FOR PROFIT AND LOSS

This Product entitles the Investor on the Redemption Date to a Cash Settlement in the Settlement Currency which is linked to the performance of the Underlying with the Worst Performance, as described under "Redemption".

## II. SIGNIFICANT RISKS

### Risk Factors Relating to the Product

The risk of loss related to this Product is limited to the difference between the purchase price (if higher than the Capital Protection) and the Capital Protection. However, during the life of the Product, its price can fall below the protection level.

### 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 (pages 5 et seq.) 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 reference currency is not the clearing currency 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.

#### Issuer/Guarantor/Payment Undertaker Risk

The Investor's exposure to the credit risk of the Issuer and the Guarantor and/or the Payment Undertaker, as the case may be, of this Product is minimized due to collateralization. In order to collateralize this Product, securities have been deposited at SIX SIS Ltd in favour of SIX Swiss Exchange Ltd. Following the insolvency of an Issuer and the Guarantor and/or the Payment Undertaker, as the case may be, the deposited securities will be used for the Redemption of the Product.

#### 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 in accordance with the COSI Market Making obligations. However, the Issuer and/or the Lead Manager, as applicable, reserve the right to cease the posting of bid and offer prices upon the occurrence and for the duration of any exceptional market circumstances. 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.

### Additional Information / Disclaimer

#### Prudential Supervision

EFG International AG, Zurich is regulated by the FINMA on a consolidated basis. EFG Bank AG is regulated as a Swiss bank and as a securities-dealer by the FINMA by which the respective licence was granted. EFG Financial Products AG, Zurich has a securities dealers licence issued by the FINMA and is under the supervision by the FINMA. EFG Financial Products (Guernsey) Ltd. falls within the consolidated regulatory supervision of EFG International AG by the FINMA and is neither licensed nor supervised by any Guernsey authority. Consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinances has been obtained for the issue. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Issuer or for the correctness of any of the statements made.

#### Conflict of Interests

The Issuer and/or Guarantor and/or the Payment Undertaker and/or Lead Manager, 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 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 reimburses a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" herein, where such fees, if applicable, will be disclosed).

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

Further information is available on request.

#### No Offer

The indicative Termsheet should not be construed as an offer, recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice.

#### No Representation

The Issuer makes no representation or warranty relating to any information herein which is derived from independent sources.

### Information about Collateralisation

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COSI® Collateral Secured Instruments - Investor Protection engineered by SIX. COSI® are structured products with a minimal issuer risk. This protection is provided by means of a collateral pledge. Investors thus profit from increased protection on the invested capital.

This product (hereinafter «COSI Product») is collateralized in accordance with the terms of the SIX Swiss Exchange «Framework Agreement for Collateral Secured Instruments» («Framework Agreement»).

The Issuer and EFG Financial Products AG («Collateral Provider») have concluded the Framework Agreement on September 10, 2010 and the Collateral Provider undertakes to secure the current value of the COSI Product in favour of SIX Swiss Exchange.

The legal position of the Investors in relation to the collateralization of the COSI Product is determined by the provisions of the Framework Agreement. The core elements of the collateralization are summarized in a SIX Swiss Exchange information sheet, which is available at ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)). The Issuer shall, upon request, provide the Framework Agreement to the Investors free of charge in the German version or in an English translation. A copy of the Framework Agreement may be obtained from the Lead Manager at Brandschenkestrasse 90, P.O. Box 1686, CH-8027 Zurich (Switzerland), or via telefon (+41-(0)58-800 1000), fax (+41-(0)58-8001010) or email ([termsheet@efgfp.com](mailto:termsheet@efgfp.com)).

The costs for the service provided by SIX Swiss Exchange with respect to the collateralization of COSI Products of currently up to 15 Basis Points (0.15%) of the total value of the collateral as well as the borrowing costs of the collateral may be taken into account for the pricing of a COSI Product and may therefore be borne by the Investors, as the case may be.

The payment to the Investors may be delayed for factual or legal reasons.

To the extent the calculation of the current value of a COSI Product proves to be incorrect, the collateralization of the COSI Product may be insufficient.

Apart from the primary listing of the COSI Product on SIX Swiss Exchange the issuer may apply for a secondary listing on further exchanges. All aspects and events related to a secondary listing of the COSI Product shall be disregarded under the Framework Agreement. In particular, events which are related to a secondary listing of the COSI Product, such as the suspension of the market making at a secondary exchange or the delisting of the COSI Product from a secondary exchange, shall not be deemed a liquidation event under the Framework Agreement. SIX Swiss Exchange is at its own discretion entitled to make public the occurrence of a liquidation event and the maturity of the COSI Product pursuant to the Framework Agreement in the countries where a secondary listing is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

## 04.10.2012 – Namensänderung der Emittentin

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Stichtag: 04.10.2012

**Die Emittentin EFG Financial Products (Guernsey) Ltd., St Peter Port, Guernsey, ändert ihren Firmennamen.**

Die Bedingungen dieser Emission wurden wie folgt angepasst:

Emittentenname neu: EFG International Finance (alt: EFG Financial  
(Guernsey) Ltd Products (Guernsey) Ltd)

## 04/04/2013 – Replacement of Collateral Provider (COSI)

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Effective Date: 04/04/2013

**The COSI Collateral Provider EFG Financial Products AG, Zurich, has been replaced with EFG Bank AG, Zurich, in accordance with section 4.10 of the COSI Framework Agreement.**

The Terms and Conditions have been adjusted as follows:

COSI Collateral Provider new: EFG Bank AG, Zurich (old: EFG Financial Products AG, Zurich)

## 23/10/2017 – Ticker Change

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Effective Date: 23/10/2017

Underlying: ZURICH INSURANCE GROUP AG-REG

**ZURICH INSURANCE GROUP AG-REG has changed its Bloomberg Ticker.**

The Terms and Conditions have been adjusted as follows:

Bloomberg Ticker new: ZURN SW (old: ZURN VX)

## 23/10/2017 – Ticker Change

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Effective Date: 23/10/2017

Underlying: NOVARTIS AG-REG

**NOVARTIS AG-REG has changed its Bloomberg Ticker.**

The Terms and Conditions have been adjusted as follows:

Bloomberg Ticker new: NOVN SW (old: NOVN VX)

## 23/10/2017 – Ticker Change

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Effective Date: 23/10/2017

Underlying: SWISSCOM AG-REG

**SWISSCOM AG-REG has changed its Bloomberg Ticker.**

The Terms and Conditions have been adjusted as follows:

Bloomberg Ticker new: SCMN SW (old: SCMN VX)

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