

Public Offering has ended

Termsheet
Reference is made to any additional notification published separately

Public Offering only in: DE, CH, AT
Capital Protection Products
SSPA Product Type: 1140
Collateralised Derivatives

Capital Protection on Allianz, BASF, BMW, Coca-Cola, Procter Gamble, Roche / Pension Solution 100 Certificate 01/2014 EUR-A

100.00% Capital Protection | Yearly Partial Redemption | 2.00% Conditional Coupon Amount | Memory Coupon | Quanto EUR

Final Fixing Date 31/01/2024; issued in EUR; listed on SIX Swiss Exchange AG, Börse Frankfurt Zertifikate AG (Open Market)
ISIN CH0228516016 | Swiss Security Number 22851601 | SIX Symbol LTQCDA | WKN LTQ0EQ

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](#)".

For investors in the EEA: This publication is only intended for use by eligible counterparties and professional clients (as defined by Directive 2014/65/EU - MiFID II) and includes certain information regarding the lifecycle of the Product. It is provided by the Issuer for information purposes only and is subject to change due to market conditions at any time without previous notice. This publication is not a legally binding document and it does not constitute a prospectus within the meaning of the Regulation (EU) 2017/1129 (the Prospectus Regulation). Investors should consider the information contained in the "Significant Risks" and "Product Documentation" sections of this publication and shall carefully read the Product Documentation (including the Final Terms, Base Prospectus and the risk factors mentioned therein) prior to assuming any investment decision. Any such investment decision shall be made solely upon the information contained in the Product Documentation. In any case, investors are highly recommended to consult a competent financial advisor before investing in financial products. This publication does neither constitute nor substitute such advice. During its lifetime, the Product's value is subject to market fluctuation which may lead to a partial or total loss of the capital invested.

For investors in Switzerland: This Product is a derivative instrument according to Swiss law. 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.

The Investor's exposure to the credit risk of the Issuer and the Guarantor, if any, is only mitigated due to collateralization.

This document is not a prospectus within the meaning of article 1156 of the Swiss Code of Obligations (CO) or article 40 et seqq. of the FinSA.

I. PRODUCT DESCRIPTION

Product Description

This Product offers the Investor a periodic Partial Redemption and an opportunity to receive a Conditional Coupon Amount on the relevant Coupon Payment Date.

The Terms and Conditions of this Product have been adjusted.

UNDERLYING					
Underlying	Related Exchange	Bloomberg Ticker	Initial Fixing Level (100%)*	Coupon Trigger Level (100.00%)*	
ALLIANZ SE-REG	Xetra	ALV GY	EUR 123.80	EUR	123.80
BASF SE	Xetra	BAS GY	EUR 79.53	EUR	79.53
BAYERISCHE MOTOREN WERKE AG	Xetra	BMW GY	EUR 80.82	EUR	80.82
COCA-COLA CO/THE	NYSE	KO UN	USD 37.82	USD	37.82
PROCTER GAMBLE CO	NYSE	PG UN	USD 76.62	USD	76.62
ROCHE HOLDING AG-GENUSSSCHEIN	SIX Swiss Exchange AG	ROG SW	CHF 249.30	CHF	249.30

PRODUCT DETAILS	
Swiss Security Number	22851601
ISIN	CH0228516016
SIX Symbol	LTQCDA
WKN	LTQ0EQ
Issue Price	100.00%
Issue Size	EUR 10'000'000 (can be increased at any time)
Denomination	EUR 100
Settlement Currency	EUR

* levels are expressed in percentage of the Initial Fixing Level

Subscription	First Exchange Trading Date	Final Fixing Date	Redemption Date			
06/01/2014 - 31/01/2014	10/02/2014	31/01/2024	09/02/2024			

Capital Protection	100.00%
Currency Protection	Quanto EUR
Bondfloor at issuance	83.01% (implied Yield p.a.: 1.88%)
Partial Redemption Rate	10.00%
Conditional Coupon Amount	2.00%

Provided that on the relevant Coupon Observation Date a Coupon Trigger Event has occurred, the Investor will receive on the relevant Coupon Payment Date a Conditional Coupon Amount according to the following formula:

$$\text{Denomination} \times \left[\sum_{i=n+1}^N \text{Conditional Coupon Rate}_i \right]$$

Where:

"n" is the number of the last Coupon Payment Date where a Conditional Coupon Amount has been paid. If no Coupon Payment has been made upon the current Coupon Observation Date, the value of "n" will be equal to zero.

"N" is the number of the current Coupon Observation Date, according to the table below.

Coupon Trigger Event	A Coupon Trigger Event shall be deemed to occur, if on any Coupon Observation Date all Underlyings close at or above their respective Coupon Trigger Level, as reasonably determined by the Calculation Agent.
Initial Fixing Level	Official close of the respective Underlying on the Initial Fixing Date on the Related Exchange, as determined by the Calculation Agent.
Initial Load	Initial Load of 5.00% already included in the Issue Price.

DATES

Subscription Start Date	06/01/2014
Subscription End Date	31/01/2014 14:00 CET
Initial Fixing Date	31/01/2014
Issue Date	10/02/2014
First Exchange Trading Date	10/02/2014
Last Trading Day/Time	31/01/2024 / Exchange market close
Final Fixing Date	31/01/2024 (subject to adjustments in accordance with the Final Terms)
Redemption Date	09/02/2024 (subject to adjustments in accordance with the Final Terms)

Conditional Coupon Observation and Conditional Coupon Payment Dates	N/n	Coupon Observation Date(s)	Coupon Trigger Level^a	Coupon Payment Date(s)	Conditional Coupon Rate_i
	1	03/02/2015	100.00%	09/02/2015	2.00%
	2	03/02/2016	100.00%	09/02/2016	2.00%
	3	03/02/2017	100.00%	09/02/2017	2.00%
	4	05/02/2018	100.00%	09/02/2018	2.00%
	5	05/02/2019	100.00%	11/02/2019	2.00%
	6	04/02/2020	100.00%	10/02/2020	2.00%
	7	03/02/2021	100.00%	09/02/2021	2.00%
	8	03/02/2022	100.00%	09/02/2022	2.00%
	9	03/02/2023	100.00%	09/02/2023	2.00%
	10	31/01/2024*	100.00%	09/02/2024**	2.00%

^alevels are expressed in percentage of the Initial Fixing Level

*the last Coupon Observation Date equals the Final Fixing Date

**the last Coupon Payment Date equals the Redemption Date

If any of the above-mentioned Coupon Observation Dates is not an Exchange Business Day for an Underlying, the next following Exchange Business Day for that Underlying shall be the respective Coupon Observation Date in accordance with the Final Terms. If any of the above-mentioned Coupon Payment Dates is not a Business Day, the next following Business Day will apply.

PARTIAL REDEMPTION

The Investor is entitled to receive from the Issuer on the Partial Redemption Payment Dates per Product a Cash Settlement in the Settlement Currency in the amount of the Partial Redemption Amount according to the following formula:

Denomination x Partial Redemption Rate

	Partial Redemption Payment Date	Partial Redemption Amount	
1	09/02/2015	EUR 10.00	PAID EUR 10.00
2	09/02/2016	EUR 10.00	PAID EUR 10.00
3	09/02/2017	EUR 10.00	PAID EUR 10.00
4	09/02/2018	EUR 10.00	PAID EUR 10.00

*the last Partial Redemption Payment Date equals the Redemption Date

	Partial Redemption Payment Date	Partial Redemption Amount	
5	11/02/2019	EUR 10.00	PAID EUR 10.00
6	10/02/2020	EUR 10.00	PAID EUR 10.00
7	09/02/2021	EUR 10.00	
8	09/02/2022	EUR 10.00	
9	09/02/2023	EUR 10.00	
10	09/02/2024*	EUR 10.00	

*the last Partial Redemption Payment Date equals the Redemption Date

GENERAL INFORMATION

Issuer	Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey (Rating: Fitch BBB- with stable outlook, JCR BBB+ with stable outlook, Supervisory Authority: FINMA / GFSC)
Collateral Provider (COSI)	Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey
Lead Manager	Leonteq Securities AG, Zurich, Switzerland
Calculation Agent	Leonteq Securities AG, Zurich, Switzerland
Paying Agent	Leonteq Securities AG, Zurich, Switzerland
Distribution Fees	Substantial Fees (as defined in the relevant Base Prospectus and/or below)
Listing/Exchange	SIX Swiss Exchange AG; traded on SIX Swiss Exchange - Structured Products Frankfurter Wertpapierbörse (Freiverkehr); traded on Börse Frankfurt Zertifikate AG (Open Market) Listing will be applied for.
Secondary Market	Daily price indications will be available from 09:00 - 17:30 CET on www.leonteq.com, Refinitiv [SIX Symbol]=LEOZ or [ISIN]=LEOZ and Bloomberg [ISIN] Corp or on LEOZ.
Quoting Type	Secondary market prices are quoted dirty; accrued interest is included in the prices.
Quotation Type	Secondary market prices are quoted in percentage.
Settlement Type(s)	Cash Settlement
Minimum Investment	EUR 10'000
Minimum Trading Lot	EUR 100
Selling Restrictions	The Product can only be offered publicly in the jurisdictions mentioned in the section "Public Offering" herein. No action has been 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 for such purpose special actions are 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 Issuing Parties or the Lead Manager. Selling and offering restrictions apply in particular in 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 can be found in the relevant Base Prospectus.
Clearing	SIX SIS Ltd, Euroclear, Clearstream
Depository	SIX SIS Ltd
Public Offering only in	Switzerland, Germany, Austria
Form	Uncertificated Security / Book-entry
Governing Law / Jurisdiction	Swiss / Zurich

The definition "Issuing Party/Parties" as used herein, means the Issuer, as indicated in section "General Information".

TAXATION SWITZERLAND

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 private investors with tax domicile in Switzerland)	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 the Partial Redemption is subject to the Federal Direct Tax. The present value of the bond part at issue is the Bondfloor per unit. However, any gain derived from the option is considered as capital gain and is therefore not subject to the Federal Direct Tax for such taxpayers. 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.

On 1 January 2017, Switzerland has implemented the Automatic Exchange of Information in Tax Matters ("AEOI") with the EU and Australia, Jersey, Guernsey, Isle of Man, Iceland, Norway, Japan, Canada and South Korea. Switzerland is also negotiating the introduction of the AEOI with other countries. In this context, the EU Savings Tax for Swiss paying agents and the Final Withholding Tax with UK and Austria was repealed.

The tax information is a non-binding summary and only provides a general overview of the potential Swiss tax consequences linked to this Product at the time of issue. Tax laws and tax interpretation 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 Issuing Parties and the Lead Manager hereby expressly exclude any liability in respect of any possible tax implications.

Information with regards to bond floor taxation

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. The Investor must be aware that for tax purposes the value of the bond floor is converted into Swiss Francs (CHF) at inception/purchase as well as at sale/redemption of the Product, in case the Product is denominated in another currency than CHF. Thus, the Investor is exposed to the foreign exchange risk with regard to the taxable income calculation and thus also the withholding tax calculation, if applicable. However, withholding tax on the bondfloor only applies if the Bondfloor at redemption (in %) is greater than the Bondfloor at issuance (in %).

Information with regards to FATCA (Foreign Account Tax Compliance Act)

Any payment under this Product may be subject to withholding tax (such as, inter alia, withholding related to FATCA or 871(m) of the US Tax Code). Any payments due under this Product are net of such tax. If an amount in respect of Section 871(m) of the U.S. Tax Code were to be deducted or withheld from interest, principal or other payments on the Products, none of the Issuer, any Paying Agent or any other person would be required to pay additional amounts as a result of the deduction or withholding of such tax, i.e. the Investor would receive a significant lower amount than he would have received without such deduction or withholding.

PRODUCT DOCUMENTATION

The Termsheet which will be available no later than on the Issue Date, as well as the Final Termsheet include the information required for a definitive simplified prospectus pursuant to article 5 the Collective Investment Schemes Act ("CISA"), as such article was in effect immediately prior to the entry into effect of the Swiss Financial Services Act ("FinSA"), but not a prospectus pursuant to article 40 of the FinSA or article 1156 of the Swiss Code of Obligations. No key information document according to article 60 of the FinSA or any equivalent document under the FinSA has been or will be prepared in relation to the Products. No prospectus has been reviewed or approved by a Swiss reviewing body pursuant to article 52 FinSA, and the documentation prepared in relation to the Products may not comply with the disclosure requirements applicable to a prospectus approved by such a reviewing body under the FinSA. For investors in the EEA: A base prospectus approved by the relevant competent authority and passported to relevant host member states allows the public offer of the Product in certain member states. Potential investors should read the Base Prospectus, as supplemented from time to time and the final terms before subscribing to the Product. This document contains a summary of information of the Product and is for information purposes only. Only the Final Terms together with the respective Base Prospectus, as supplemented from time to time, as well as a possible summary of the individual issue form the documentation of the Product (the "Product Documentation"); therefore the Final Terms should always be read together with the Base Prospectus as well as a possible summary of the individual issue.

Notices to Investors in connection with this Product shall be validly given in accordance with the terms and conditions. Notices to investors in Switzerland relating to the Issuing Parties will be published under the section "About Leonteq" on www.leonteq.com and/or on the web page of the respective Issuing Party.

During the whole term of this Product, the Product Documentation is available in electronic form on the website indicated in the Final Terms and can be ordered free of charge at Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, via telephone (+41 58 800 1111*), fax (+41-(0)58-800 1010) or via e-mail (termsheet@leonteq.com).

Please note that all calls made to numbers marked with an asterisk (*) are recorded. By calling such number, your consent to the recording is deemed given.

II. PROSPECTS FOR PROFIT AND LOSS

This product falls within the category "Capital Protection". Depending on whether the Product is capped or not, the profit an Investor could realize with this Product at redemption is limited (with cap) or unlimited (without cap). Any profit is composed of the invested capital (excluding any transaction or other costs) multiplied by the Capital Protection plus any additional (guaranteed and/or conditional) payments such as coupon or participation payments, bonuses or others.

On the downside the Investor's exposure to the Underlying(s) is floored at the Capital Protection level.

Please refer to the sections "Product Description" and "Redemption" for more detailed information on the characteristics of this Product.

III. 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. The Memory Coupon feature as well as the Partial Redemptions may have a significant influence on Secondary Market prices.

ADDITIONAL RISK FACTORS

Prospective Investors should ensure that they 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 to sustain a total loss of the capital invested to purchase this Product. Prospective Investors shall consider the following important risk factors and also see the information on risks contained in the Product Documentation.

This is a structured product involving derivative components. Investors should make sure that their advisors have verified that this Product is suitable for their portfolio 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 respective Final Terms.

Investors whose usual currency is not the currency in which the Product is redeemed 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.

No dividend payment

This Product does not confer any claim to receive rights and/or payments of the underlying, such as dividend payments, unless explicitly stated herein, and therefore, without prejudice to any coupon or dividend payments provided for in this Termsheet, does not yield any current income. This means that potential losses in value of the Product cannot be compensated by other income.

Credit Risk of Issuing Parties

The Investor's exposure to the credit risk of the Issuer of this Product is only mitigated 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 the Issuer 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.

Illiquidity Risk

One or, if applicable, more of the Underlyings might be or become illiquid over the life time of the Product. Illiquidity of an Underlying might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Underlying respective to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) which might implicate a postponed redemption or delivery and/or a modified redemption amount, as reasonably determined by the Calculation Agent.

ADDITIONAL INFORMATION / DISCLAIMER

Prudential Supervision

Leonteq Securities AG is authorised as securities firm and subject to prudential supervision by FINMA. Leonteq Securities AG, Guernsey Branch is regulated by the Guernsey Financial Services Commission ("GFSC").

Conflict of Interests

The Issuing Parties and/or the Lead Manager and/or any third party appointed by them, 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 and Lead Manager's and/or the appointed third party'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 reimburse a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" herein).

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

Further information is available on request.

Payment of a Coupon

If the Product stipulates the Payment of a Coupon, the Investor is only entitled to receive the respective coupon payment, if he has purchased/not sold the Product at the latest on the Business Day preceding the respective Coupon Ex-Date for the then prevailing price.

No Offer

The 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, the Lead Manager and any third party appointed by them make no representation or warranty relating to any information herein which is derived from independent sources.

Subsequent Primary/Secondary Listing of the Product

During the lifetime of the Product the Issuer may apply for primary and/or secondary listing(s) of this Product on Swiss and/or non Swiss exchanges without the consent of the Investor.

INFORMATION ABOUT COLLATERALISATION

COSI® Collateral Secured Instruments - Investor Protection engineered by SIX.

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

Being, or together with the Issuer, Leonteq Securities AG, Guernsey Branch, St Peter Port, Guernsey («Collateral Provider») has concluded the Framework Agreement on October 5, 2012 and the Collateral Provider undertakes to secure the Current Value of the COSI Product in favour of SIX Swiss Exchange. The rights of Investors in connection with the collateralization of the COSI Product arise from this Framework Agreement. The principles of collateralization are summarized in an Information Sheet issued by SIX Swiss Exchange. This Information Sheet is available from the «www.six-swiss-exchange.com» website. The Issuer shall, upon request, provide the Framework Agreement to the Investors free of charge in the original German version or as an English translation. The Framework Agreement may be obtained from the Lead Manager at Europaallee 39, 8004 Zurich (Switzerland), or via telephone (+41 58 800 1111), fax (+41-(0)58-8001010) or email (termsheet@leonteq.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.

With regard to the payment of the pro-rata share of the Net Realization Proceeds the Investor shall bear the solvency risks of SIX Swiss Exchange and the financial intermediaries along the payout chain. 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 listing or admission to trading on one or more secondary exchanges. All aspects and events related to a listing or admission to trading of the COSI Product on a secondary exchange shall be disregarded under the Framework Agreement. In particular, events which are related to a listing or admission to trading of the COSI Product on a secondary exchange, 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 listing or admission to trading of the COSI Product on a secondary exchange is maintained as well as to inform the secondary exchanges or any other bodies about such occurrences.

The current value of this COSI Product is determined by method «B (Bond Floor)». More detailed information about the calculation method is available at «www.six-swiss-exchange.com».

