



The Complex Products do not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA). Therefore, the Complex Products are not subject to authorisation or supervision by the Swiss Financial Market Supervisory Authority (FINMA). Investors bear the issuer risk. The Complex Products are structured products within the meaning of the CISA. This simplified prospectus is only available in English.

I. Product Description

Risk Category:	Product Category:	Product Type:	SSPA Code:
Complex Product ⁽²⁾	Capital Protection	Capital Protection Cert. with Coupon	1140 ⁽³⁾

The Complex Products offer the holders semi-annual fixed Interest Payment Amounts, which increase every year over the lifetime of the Complex Products. On the Final Redemption Date, the holders will receive the Final Redemption Amount, which is equal to 100% of the Denomination.

Issue Details	
Security Codes	Swiss Sec. No.: 32 646 823 ISIN: CH 032 646 823 5 SIX Symbol: SU02CS
Issuer	Credit Suisse AG, Zurich, acting through its Nassau Branch, Nassau, Bahamas (Moody's: A2 / S&P: A) The Issuer is authorized and supervised by FINMA in Switzerland.
Lead Manager	Credit Suisse AG, Zurich
Paying Agent	Credit Suisse AG, Zurich
Calculation Agent	Credit Suisse AG, Zurich
Issue Size	up to USD 10'000'000 (may be increased/decreased at any time)
Denomination	USD 1'000 per Complex Product
Minimum Investment	USD 1'000
Issue Currency	USD
Settlement Currency	USD
Issue Price	100% of the Denomination
Subscription Period	until 21 July 2016, 15:00 CET
Trade Date	21 July 2016
Issue Date	28 July 2016, being the date on which the Complex Products are issued and the Issue Price is paid.
Last Trading Date	21 July 2023, until the official close of trading on the SIX Structured Products Exchange Ltd, being the last date on which the Complex Products may be traded.
Final Redemption Date	28 July 2023, being the date on which each Complex Product will be redeemed at the Final Redemption Amount, unless previously redeemed, repurchased or cancelled.
Listing	SIX Swiss Exchange Ltd
Trading Platform	SIX Structured Products Exchange Ltd
Trading/ Secondary Market	Under normal market conditions, Credit Suisse AG, Zurich, will endeavour to provide a secondary market, but is under no legal obligation to do so. Upon investor demand, Credit Suisse AG, Zurich, will endeavour to provide bid/offer prices for the Complex Products, depending on actual market conditions. There will be a price difference between bid and offer prices (spread). The Complex Products are traded in percentage of the Denomination at a full price (dirty price), including interest, and are booked accordingly. Indicative trading prices may be obtained on Bloomberg CSZE.
Minimum Trading Lot / Subscription Amount	USD 1'000
Clearing	SIX SIS Ltd, Euroclear S.A., Clearstream Banking
Form	Uncertificated Securities
Governing Law/Jurisdiction	Swiss Law/Courts of Zurich 1
Publication	Any amendment to the Complex Products will be published on www.credit-suisse.com/derivatives .
Main Sales and Offering Restrictions	U.S.A., U.S. Persons, United Kingdom, European Economic Area, The Bahamas, Hong Kong, Singapore Further information as well as a non-exhaustive list of additional sales and offering restrictions are available in the Base Prospectus for the issuance of Fixed Income Products of Credit Suisse AG dated 21 December 2015 on www.credit-suisse.com/derivatives under "Base Prospectuses". General: Except as set out in the documentation, no action has been or will be taken that would permit a public offering of

(1) Herein called the "Complex Products".

(2) Investing in the Complex Products requires specific knowledge on the part of the potential investor regarding the Complex Products and the risks associated therewith. It is recommended that the potential investor obtains adequate information regarding the risks associated with the Complex Products before making an investment decision.

(3) See Swiss Derivatives Map at www.sspa-association.ch.

Complex Products or possession or distribution of any offering material in relation to Complex Products in any jurisdiction where action for that purpose is required. No offers, sales, deliveries or transfers of Complex Products or the underlying(s) (if any) to be delivered upon redemption of the Complex Products, or distribution of any offering material relating to Complex Products, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the relevant dealer(s).

Interest

Interest	The Issuer shall pay the relevant Interest Payment Amount per Complex Product on each Interest Payment Date to the holder thereof, <i>provided</i> that the Complex Products have not been redeemed, repurchased or cancelled on or prior to such Interest Payment Date. For the avoidance of doubt, it being understood that, if the Complex Products are redeemed, repurchased or cancelled on or prior to the relevant Interest Payment Date, any portion of the relevant Interest Payment Amount that would otherwise be due on such Interest Payment Date that has accrued as of the date of such redemption, repurchase or cancellation will not be paid.
Interest Payment Amount	with respect to any Interest Payment Date, a cash amount equal to the product of (i) the Denomination, (ii) the Day Count Fraction with respect to the relevant Interest Period and (iii) the relevant Interest Rate.
Interest Commencement Date	the Issue Date
Interest Payment Date(s)	28 January and 28 July of each year, the first Interest Payment Date being 30 January 2017 and the last Interest Payment Date being the Final Redemption Date, being the dates on which the Issuer shall pay the relevant Interest Payment Amount per Complex Product to the holders.
Interest Period	(i) with respect to the first Interest Payment Date, the period from and including the Interest Commencement Date to and excluding such Interest Payment Date, and (ii) with respect to any other Interest Payment Date, the period from and including the immediately preceding Interest Payment Date to and excluding such Interest Payment Date.
Day Count Fraction	30/360 (unadjusted)
Interest Business Day Convention	if any Interest Payment Date would fall on a day that is not a Business Day, then for purposes of calculating the amount of interest payable under the Complex Products, such Interest Payment Date shall not be adjusted, and for all other purposes, such Interest Payment Date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which case such Interest Payment Date shall be brought forward to the immediately preceding day that is a Business Day.

Interest Rate

with respect to any Interest Payment Date, the relevant Interest Rate set forth in the following table:

Interest Payment Date	Interest Rate
30.01.2017	2.00% per annum
28.07.2017	2.00% per annum
29.01.2018	2.20% per annum
30.07.2018	2.20% per annum
28.01.2019	2.40% per annum
29.07.2019	2.40% per annum
28.01.2020	2.60% per annum
28.07.2020	2.60% per annum
28.01.2021	2.80% per annum
28.07.2021	2.80% per annum
28.01.2022	3.00% per annum
28.07.2022	3.00% per annum
30.01.2023	3.20% per annum
Final Redemption Date	3.20% per annum

Final Redemption

Final Redemption	Unless previously redeemed, repurchased or cancelled, the Issuer shall redeem each Complex Product on the Final Redemption Date by payment of a cash amount equal to the Final Redemption Amount to the holder thereof.
Final Redemption Amount	100% of the Denomination.
Business Day	Zurich, London and New York

Distribution Fee

Distribution Fee	up to 0.22% p.a. (in percentage of the Denomination and included in the Issue Price)
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Swiss Taxation

The following statements and discussions of certain Swiss tax considerations relevant to the purchase, ownership and disposition of the Complex Products are of a general nature only and do not address all potential tax consequences of an investment in the Complex Product under Swiss law. This summary is based on treaties, laws, regulations, rulings and decisions currently in effect, all of which are subject to change. It does not address the tax consequences of the Complex Products in any jurisdiction other than Switzerland.

Tax treatment depends on the individual tax situation of each investor and may be subject to change.

Potential investors will, therefore, need to consult their own tax advisors to determine the special tax consequences of the purchase, ownership and sale or other disposition of a Complex Product. In particular, the precise tax treatment of a holder of a Complex Product needs to be determined with reference to the applicable law and practice at the relevant time.

The investors shall be liable for all current and future taxes and duties as a consequence of an investment in Complex Products. The income tax treatment as depicted below is applicable to individual persons with tax residence in Switzerland and private assets. Withholding tax and stamp taxes are applicable to all investors; however, specific rules apply with respect to certain types of investors and transactions.

No withholding tax (*Verrechnungssteuer*).

Secondary market transactions are subject to securities transfer stamp tax (0.15%) for Swiss resident investors. [TK-Code 22]

The Interest Payment Amounts are subject to income tax for Swiss resident private investors.

Certain payments made by Swiss paying agents to EU resident individuals with respect to the Complex Products will be subject to EU savings tax. The Swiss paying agents may therefore withhold such amounts as are necessary to pay the EU savings tax; the tax rate is 35 per cent. [TK-Code 1; "in scope"]

The Issuer expressly disclaims all liability in respect of any tax implications.

II. Profit and Loss Prospects

Profit Prospects

The Complex Products provide for the payment of multiple Interest Payment Amounts on the relevant Interest Payment Dates, which will be calculated on the basis of the relevant Interest Rate. The Interest Rate on the basis of which the Interest Payment Amounts are calculated will be equal to a fixed rate per annum. Such fixed rate per annum will be the specified Interest Rate in respect of the relevant Interest Payment Date set forth in the table above. Therefore, the potential return on a Step Up Note is limited to the positive difference between (i) the amount of the Interest Payment Amounts, plus the Final Redemption Amount, and (ii) the Issue Price (or, if different, the price the relevant investor paid for such Complex Product).

Loss Prospects

The Interest Payment Amounts payable in respect of Complex Products may be substantially lower than the interest payment amounts that would be payable under conventional fixed rate debt securities of the Issuer with a comparable term. Any principal protection will not be applicable if the Complex Products are redeemed before the Final Redemption Date. See below, section III. Important Risks for Investors.

III. Important Risks for Investors

Important Risks

Issuer Risk

Investors bear the Issuer risk. The Complex Products' retention of value is dependent not only on the development of interest and yield rates in the market generally but also on the creditworthiness of Credit Suisse AG, which may change over the term of the Complex Products. Furthermore, the Issuer's ability to fulfill its obligations under the Complex Products may be affected by certain other factors, including liquidity risks, market risks, credit risks, cross-border and foreign exchange risks, operational risks, legal and regulatory risks and competition risks.

The Complex Products are direct, unconditional, unsecured and unsubordinated obligations of Credit Suisse AG and are not covered by any compensation or insurance scheme (such as a bank deposit protection scheme). If Credit Suisse AG were to become insolvent, claims of investors in Complex Products would rank equally in right of payment with all other unsecured and unsubordinated obligations of Credit Suisse AG, except such obligations given priority by law. In such a case, investors in Complex Products may suffer a loss of all or a portion of their investment therein, irrespective of any favourable development of the other value determining factors.

Credit Suisse AG is licensed as a bank pursuant to the Swiss Federal Act on Banks and Saving Banks and as a security dealer pursuant to the Swiss Federal Act on Stock Exchanges and Securities Trading and is subject to supervision by FINMA.

Product Risk

The Complex Products involve substantial risks and are suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and merits of an investment in Complex Products.

Prospective investors should:

- ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Complex Products;
- make all pertinent inquiries they deem necessary without relying on the Issuer or any of its affiliates or officers or employees;
- consider the suitability of the Complex Products as an investment in light of their own circumstances, investment objectives, tax position and financial condition;
- consider carefully all the information set forth in the legally binding Terms and Conditions as well as all other sections of the Prospectus (including any documents incorporated by reference therein);
- consult their own legal, tax, accounting, financial and other professional advisors to assist them determining the suitability of Complex Products for them as an investment.

Risk of Total Loss

Although the Complex Products provide for a fixed Final Redemption Amount, investors may lose a part or all of their investment therein.

The Complex Products provide for a fixed redemption amount equal to 100% of the Denomination (i.e., the Final Redemption Amount), which investors in such Complex Products will receive on the Final Redemption Date (so long as not early redeemed). Accordingly (but subject to the immediately succeeding sentence), an investor's risk of loss is limited to the difference between the Issue Price (or, if different, the price such investor paid for the relevant Complex Product) and the Final Redemption Amount. Nevertheless, investors in such Complex Products may lose some or all of their investment therein (including the Final Redemption Amount), in particular if Credit Suisse AG were to become insolvent or otherwise unable to fulfil all or part of its obligations under such Complex Products. In addition, if an investor acquires such a Complex Product at a price that is higher than the Final Redemption Amount, such investor should be aware that the Final Redemption Amount does not fluctuate with the purchase price paid for the Complex Product. Furthermore, even though such Complex Products provide for a fixed Final Redemption Amount, this does not mean that the market value of such a Complex Product will ever be, or that an investor in such a Complex Product will ever be able to sell such Complex Product for an amount, equal to or above the Final Redemption Amount.

Investors should also be aware that the Final Redemption Amount is only payable by the Issuer on the Final Redemption Date. If such Complex Products are early redeemed, investors may receive a redemption amount that is considerably lower than the Final Redemption Amount that would have otherwise been received.

Complex Products are unsecured obligations

Complex Products are direct, unconditional, unsecured and unsubordinated obligations of Credit Suisse AG and are not covered by any compensation or insurance scheme (such as a bank deposit protection scheme). If Credit Suisse AG were to become insolvent, claims of investors in Complex Products would rank equally in right of payment with all other unsecured and unsubordinated obligations of Credit Suisse AG, except such obligations given priority by law. In such a case, investors in Complex Products may suffer a loss of all or a portion of their investment therein, irrespective of any favourable development of the other value determining factors.

Capped Profit Potential

Investors in Complex Products should be aware that the profit potential in relation thereto is capped.

Unpredictable Market Value of the Complex Products

The market value of, and expected return on, Complex Products may be influenced by a number of factors, some or all of which may be unpredictable (and which may offset or magnify each other), such as (i) supply and demand for Complex Products, (ii) economic, financial, political and regulatory or judicial events that affect Credit Suisse AG or financial markets generally, (iii) interest and yield rates in the market generally, (iv) the time remaining until the Final Redemption Date and (v) Credit Suisse AG's creditworthiness.

Trading Market for Complex Products

The trading market for Complex Products may be limited, or may never develop at all, which may adversely impact the market value of such Complex Products or the ability of the holder thereof to sell such Complex Products.

Exchange Rate Risks

The Settlement Currency of a Complex Product may not be the currency of the home jurisdiction of the investor therein. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are in particular influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Therefore, fluctuations in exchange rates may adversely affect the market value of a Complex Product.

Broad Discretionary Authority of the Calculation Agent

The Calculation Agent has broad discretionary authority to make various determinations and adjustments under Complex Products, any of which may have an adverse effect on the market value thereof or amounts payable or other benefits to be received thereunder. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest error) shall be binding on Credit Suisse AG and all holders of the Complex Products.

In making calculations and determinations with regard to the Complex Products, there may be a difference of interest between the investors and the Calculation Agent. The Calculation Agent is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular the Calculation Agent and its affiliated entities may have interests in other capacities (such as other business relationships and activities).

This risk disclosure notice cannot disclose all the risks. Therefore, potential investors in Complex Products should consult the latest version of the 'Special Risks in Securities Trading' risk disclosure brochure (the 'Risk Disclosure Brochure') and the Prospectus of which the Terms and Conditions of the Complex Products form a part.

The latest version of the Risk Disclosure Brochure can be obtained, free of charge, from the head office of Credit Suisse AG in Zurich, by calling +41 44 333 2144 or via facsimile no: +41 44 333 8403, or accessed via Internet at the Swiss Bankers Association's website: www.swissbanking.org (under the following path: www.swissbanking.org/en/home/shop.htm).

Important Notices

By investing in the Complex Products, an investor acknowledges having read and understood the following terms:

Any information regarding interest and yield rates in the market generally contained in this document consists only of a summary of certain publicly available information. Any such information does not purport to be a complete summary of all material information contained in the relevant publicly available information. The Issuer only accepts responsibility for accurately reproducing such information contained in publicly available information. Otherwise neither the Issuer nor any of its affiliates accept further or other responsibility or make any representation or warranty (express or implied) in respect of such information.

The Issuer is acting solely as an arm's length contractual counterparty and neither the Issuer nor any affiliate is acting as the financial advisor or fiduciary of any potential investor in the Complex Products unless it has agreed to do so in writing.

The information and views contained herein are those of the Issuer and/or are derived from sources believed to be reliable. This document is not the result of a financial analysis and, therefore, is not subject to the "Directives on the Independence of Financial Research" issued by the Swiss Bankers Association. The contents of this document, therefore, do not fulfil the legal requirements for the independence of financial analyses and there is no restriction on trading prior to publication of financial research.

In connection with this Complex Product, the Issuer and/or its affiliates may pay to third parties, including affiliates, remunerations (distribution fee) that may be factored into the terms of this Complex Product. The Issuer and/or its affiliates may also offer such remunerations to third parties in the form of a discount on the price of the product. Receipt or potential receipt of such remunerations may lead to a conflict of interests. Internal revenue allocation may lead to a similar effect. Further information can be found under "Product Description". Finally, third parties or the investor's bank may impose a commission/brokerage fee in connection with the purchase/sale of or subscription to the Complex Product. Investors in the Complex Product may request further information from their bank/relationship manager.

Where not explicitly otherwise stated, the Issuer has no duty to invest in interest and yield rates and an investor in Complex Products has no recourse thereto. The issue price of the Complex Products will reflect the customary fees and costs charged on the level of the interest and yield rates in the market generally. Certain built-in costs are likely to adversely affect the value of the Complex Products.

The Complex Products are complex structured financial instruments and involve a high degree of risk. They are intended only for investors who understand and are capable of assuming all risks involved. Before entering into any transaction involving the Complex Products, a potential investor should determine if the Complex Products suit his or her particular circumstance and should independently assess (with his or her professional advisors) the specific risks (maximum loss, currency risks, etc.) and the legal, regulatory, credit, tax and accounting consequences. The Issuer makes no representation as to the suitability or appropriateness of the Complex Products for any particular potential investor or as to the future performance of the Complex Products. This document does not replace a personal conversation between a potential investor and his or her relationship manager and/or professional advisor (e.g., legal, tax or accounting advisor), which is recommended by the Issuer before any investment decision. Therefore, any potential investor in Complex Products is requested to ask his or her relationship manager to provide him or her with any available additional information regarding Complex Products.

Historical data on the performance of the Complex Products is no indication of future performance. No representation or warranty is made that any indicative performance or return indicated will be achieved in the future. Neither this document nor any copy thereof may be sent, taken into or distributed in the United States or to any U. S. person or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof.

This document constitutes the **Simplified Prospectus** for the Complex Products in accordance with Article 5 CISA. The prospectus requirements of Article 652a/Article 1156 of the Swiss Code of Obligations are not applicable. The Simplified Prospectus is of summary nature with a view to include the information required by Article 5 CISA and the Guidelines of the Swiss Bankers Association. The legally binding terms and conditions for the Complex Products are set forth in the final terms (the **Final Terms**) within the meaning of the Additional Rules for the Listing of Derivatives of the SIX Swiss Exchange Ltd and, together with the Base Prospectus for the issuance of Fixed Income Products of Credit Suisse AG dated 21 December 2015 (as supplemented as of the date of the Final Terms, the Base Prospectus), constitutes the listing prospectus (the **Listing Prospectus**) for the Complex Products. Copies of the Listing Prospectus and the documents incorporated by reference therein may be obtained free of charge from Credit Suisse AG, Transaction Advisory Group, ZUGG 3, P.O. Box, 8070 Zurich, Switzerland. This document does not constitute an offer or an invitation to enter into any type of financial transaction.

This document may not be reproduced either in whole or in part without the prior written approval of the Issuer.