

3.00% Multi Defender VONTI on Apple, Cisco, Oracle

Barrier monitoring at maturity

PRODUCT DESCRIPTION

Multi Defender VONTI refer to several underlyings and are characterized upon issue by a nominal value and a guaranteed coupon on the one hand, and, on the other hand, by conditional capital protection. This capital protection ceases to apply as soon as one of the underlyings is at or below its barrier at final fixing. The redemption at the end of the term is determined on the basis of the performance and final fixing of the respective underlyings: If all underlyings close above their barriers at final fixing, redemption is at the nominal value. If at least one of the underlyings closes below its barrier at final fixing, the number of underlyings is delivered with the poorest performance or a cash compensation is paid (for details see "Redemption/delivery")

Product Information

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| Issuer | Vontobel Financial Products Ltd., DIFC Dubai |
| Guarantor | Vontobel Holding AG, Zürich (Standard & Poor's A; Moody's A2) |
| Lead Manager | Bank Vontobel AG, Zürich |
| Paying and Calculation Agent | Bank Vontobel AG, Zürich |
| Placement Agent | Aspermont Capital AG, Zürich |

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| Underlyings / Reference Stock Exchanges | Apple Computer Inc. Registered Share (Swiss Sec. No.: 908 440 - Nasdaq) Cisco Systems Inc. Registered Share (Swiss Sec. No.: 918 546 - Nasdaq) Oracle Corporation Registered Share (Swiss Sec. No.: 959 184 - Nasdaq) |
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|-------------|-------------|
| Issue price | 100% |
| Notional | USD 1000.00 |

| Strikes / Barriers | Underlying | Bloomberg | Strike | Barrier (in %) |
|--------------------|------------|-----------|-------------------|------------------|
| | Apple | AAPL UQ | USD 203.42 (100%) | USD 152.57 (75%) |
| | Cisco | CSCO UQ | USD 24.00 (100%) | USD 18.00 (75%) |
| | Oracle | ORCL UQ | USD 23.81 (100%) | USD 17.86 (75%) |

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| Barrier monitoring | At final fixing, June 16, 2010 (closing prices) |
| Coupon | 3.00% (9.00000% p.a.) - one-time payment, actual/360 (total duration: 120 days) |
| Interest component | 0.10% (premium component: 2.90%) |

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| Initial fixing | February 16, 2010 |
| Payment date | February 23, 2010 |
| Last trading day | June 16, 2010 (12:00 CET) |
| Final fixing | June 16, 2010, closing prices |
| Repayment date | June 23, 2010 |

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| Swiss Security Number / ISIN / Telekurs Symbol | 1104 4287 / CH0110442875 / - |
| Settlement mode | <ul style="list-style-type: none"> - In the event that none of the underlying securities reach or fall below the relevant barrier at final fixing, both the coupon and 100% of the nominal value shall be repaid. - In the event that one or more of the underlying securities reach or fall below the relevant barrier at final fixing, the nominal value minus the percentage difference between the strike price and the closing price of the underlying with the most negative performance shall be paid out. Furthermore, the coupon shall be payable on the maturity date. |

Further Information

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| Reference currency | USD; issue, trading and redemption will follow in the reference currency |
| Issue size | 30'000 Multi Defender VONTI, the size may be increased |
| Clearing / Settlement | SIX SIS AG |
| Listing | None |
| Secondary market trading | Throughout the entire term a secondary trading is conducted. Indicative daily prices of this product are available at www.derinet.ch. |

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| Price setting | Secondary market price quotations are "clean," that is, accumulated interests are not included. |
| Tax treatment in Switzerland | <p>This product qualifies as transparent with predominantly one-off interest payments (IUP). The return determined on the bond component of the product for the holding period is subject to direct federal taxes (modified taxation of the difference).</p> <p>Neither withholding tax nor the stamp duty at issuance is imposed.</p> <p>Secondary market transactions are not subject to Swiss stamp duty.</p> <p>For Swiss paying agents the interest part of the coupon is subject to the EU tax on interest (TK6). The above taxation is a non-binding summary of the tax implications applicable to private investors resident in Switzerland.</p> <p>The specific situation of the investor has, however, not been considered for the summary; furthermore, tax legislation and tax-administration practices may change at any time. Potential investors should have the tax effects of the purchase, holding, sale or repayment of this product examined by their own tax adviser - especially with respect to the effects of taxation under another jurisdiction.</p> |
| Net present value of bond components upon issue | USD 1000.00 |
| Discounting factor (IRR) upon issue | 0.29637% |
| Rights arising from securities | The rights associated with the securities will be in uncertified and dematerialized book entry form in accordance with the rules of SIX SIS AG. |
| Applicable Law / Jurisdiction | Swiss law / Zurich 1, Switzerland |
| Prudential supervision | As a bank, Bank Vontobel AG is subject to the supervision of individual banks, while Vontobel Holding AG and Vontobel Financial Products Ltd. as group member companies are subject to complementary, consolidated group supervision by the Federal Financial Markets Regulator FINMA. Vontobel Financial Products Ltd. is registered in the register of the Dubai International Finance Centre as a non-regulated company. |

PROSPECTS OF PROFIT AND LOSSES

Any possible gain results from the guaranteed fixed coupon. Nevertheless, there is an upper limit to the gain as a maximum of the nominal value plus the coupon is paid.

These products have only conditional capital protection defined by the individual barriers: If at least one underlying touches or breaches its barrier at final fixing, this conditional capital protection ceases to apply. Accordingly, the risks of an investment in a Multi Defender VONTI are considerable; given upwardly limited chances of gains, they correspond largely to the risks of a direct investment in the underlying with the poorest performance. The lower the closing price of the underlying with the poorest performance after falling below its strike price, the greater the losses sustained. In extreme cases (with a closing price of the underlying of zero), the maximum loss can lead to a loss of the capital invested.

Even if the performance of the underlying is positive, the price of the product during the term can be considerably below the issue price. Potential investors should bear in mind that price changes to the underlying, as well as other influencing factors, may have a negative effect on the value of structured products.

SIGNIFICANT RISKS FOR INVESTORS

Currency risks

If the underlying or underlyings is/are denominated in a currency other than the product's reference currency, investors should bear in mind that this may involve risks due to fluctuating exchange rates and that the risk of loss does not only depend on the performance of the underlying(s) but also on any unfavourable performance of the other currency or currencies. This does not apply for currency-hedged products (quanto structure).

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 and interest rates, prices of raw materials or corresponding volatility, can have a negative effect on the valuation of the underlying or product.

Issuer risk

The value of structured products may depend not only on the performance of the underlying, but also on the creditworthiness of the issuer/guarantor, which can change during the term of the product. The investor is exposed to the risk of default of the issuer/guarantor. For further information on the rating of Vontobel Holding AG or Bank Vontobel AG, please see the TERMS AND CONDITIONS RELATING TO STRUCTURED PRODUCTS.

Publication of notifications

All notifications to investors concerning the products and amendments to the product terms (e.g. due to corporate actions) are published at www.derinet.ch. In addition, the information concerning products listed on the SIX Swiss Exchange is published in accordance with the provisions valid for IBL (internet-based listing) at www.six-swiss-exchange.com.

Classification

In Switzerland, these financial instruments are considered structured products. They are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA), and are therefore not subject to the regulations of the CISA or the supervision of the Swiss Financial Market Supervisory Authority FINMA.

Restrictions on sales

U.S.A., U.S. persons, UK, EEA, Dubai (UAE).

Further risk information

See TERMS AND CONDITIONS RELATING TO STRUCTURED PRODUCTS available at www.derinet.ch/generalterms.

LEGAL NOTICE**Product documentation**

The original version of the Termsheet is in German; foreign language versions are non-binding translations.

The issuer and/or Bank Vontobel AG is entitled to correct spelling mistakes, calculation or other obvious errors in this Termsheet and to make changes, as well as to amend or supplement contradictory or incomplete provisions at any time without the consent of the investors.

The relevant "Terms and conditions relating to Structured Products" (the TERMS AND CONDITIONS RELATING TO STRUCTURED PRODUCTS) apply in extension of the Termsheet for structured products not listed on the SIX Swiss Exchange.

The Termsheet and the TERMS AND CONDITIONS RELATING TO STRUCTURED PRODUCTS constitute the simplified prospectus pursuant to Article 5 of the Swiss Federal ACT on Collective Investment Schemes (CISA). In the event of discrepancies between the Termsheet and the TERMS AND CONDITIONS RELATING TO STRUCTURED PRODUCTS, the Termsheet shall take precedence.

For products listed on the SIX Swiss Exchange, the exclusively authoritative, complete terms as well as the detailed risk information are included in the corresponding listing prospectus. This Termsheet does not constitute either a listing notice, a listing prospectus as defined in the listing rules or a prospectus in accordance with Article 652a or 1156 OR (Swiss Code of Obligations).

During the entire term of the structured product, all documents can be ordered free of charge from Bank Vontobel AG, Financial Products Documentation, Dreikönigstrasse 37, 8002 Zurich (telephone: +41 (0)58 283 78 88, Fax +41 (0)58 283 57 67). Termsheets can also be downloaded on the www.derinet.ch website.

Further information

The list and information shown do not constitute a recommendation concerning the underlying in question; they are for information purposes only and do not constitute either an offer or an invitation to submit an offer, or a recommendation to purchase financial products. Indicative information is provided without warranty. The information is not a substitute for the advice that is indispensable before entering into any derivative transaction. Only investors who fully understand the risks of the transaction to be concluded and who are commercially in a position to bear the losses which may thereby arise should enter into such transactions. Furthermore, we refer to the brochure "Special Risks in Securities Trading" which you can order from us.

In connection with the issuing and/or selling of structured products, companies from the Vontobel Group can pay reimbursements to third parties directly or indirectly in different amounts. Such commission is included in the issue price. You can obtain further information from your sales agent upon request.

We will be happy to answer any questions you may have concerning our products on +41 (0)58 283 78 88 from 08.00 – 17.00 CET on bank business days. Please note that all calls to this number are recorded. By calling this number, your consent to such recording is deemed given.

Zurich, February 16, 2010

Your customer relationship manager will be happy to answer any questions you may have.



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