

Termsheet as of 03/03/2011  
**COSI (Collateral Secured Instruments)**

Yield-Enhancement Products  
SSPA Product Type: 1230  
Collateralised Derivatives

## 3.50% Barrier Reverse Convertible on Bayer, Beiersdorf, Deutsche Bank

### Worst of style - European Barrier

Final Fixing Date 06/07/2011; issued in EUR; listed on SIX Swiss Exchange

**This Product is collateralised in accordance with the terms and conditions of the SIX Swiss Exchange 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").

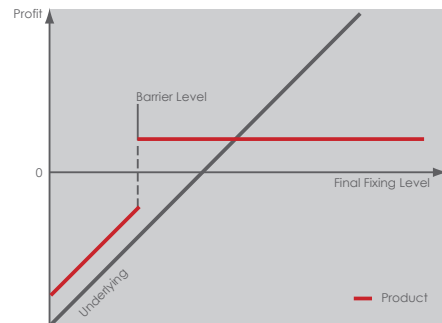
**The Product is a derivative financial instrument which does not qualify as a unit of a collective investment scheme according to the relevant provisions of the Federal Act on Collective Investment Schemes ("CISA"), as amended, and is not registered there under. Therefore, the Product is neither governed by the CISA nor supervised by the Swiss Financial Market Supervisory Authority (FINMA). Accordingly, Investors do not have the benefit of the specific investor protection provided under the CISA.**

#### Market expectation

Underlyings trade sideways to slightly higher.  
Final Fixing Levels will not be at or below the Barrier Levels.

#### Product description

This Product offers the Investor a Coupon Rate regardless of the performance of the Underlyings combined with conditional downside protection. If the Barrier Event has not occurred, the Investor will receive the Denomination at the Redemption Date. If a Barrier Event has occurred, the Investor will receive at the Redemption Date either a round number (i.e. Conversion Ratio) of the Underlying with the Worst Performance or, as the case may be, a Cash Settlement in the Settlement Currency, as further described under Redemption.



### Underlying

Underlying	Related Exchange	Bloomberg Ticker	Initial Fixing Level (100%)*	Barrier Level (75.00%)*	Conversion Ratio
BAYER AG-REG	Xetra	BAYN GY	EUR 56.32	EUR 42.24	17.7557
BEIERSDORF AG	Xetra	BEI GY	EUR 43.38	EUR 32.54	23.0521
DEUTSCHE BANK AG-REG	Xetra	DBK GY	EUR 46.25	EUR 34.69	21.6216

### Product Details

Swiss Security Number	<b>12507775</b>
ISIN	<b>CH0125077757</b>
SIX Symbol	<b>EFJMU</b>
Issue Price	100.00%
Issue Size	EUR 10'000'000 (can be increased at any time)
Denomination	EUR 1'000
Settlement Currency	EUR
Bondfloor at issuance	100.00% (implied Yield: 1.14%)
Coupon Rate	3.50% (10.24% p.a.)
	The Coupon Rate is split in two components for Swiss taxation purposes:
	Interest Component 0.39% (1.14% p.a.)
	Option Premium Component 3.11% (9.10% p.a.)

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

Subscription End Date 03/03/2011	First Exchange Trading Date 10/03/2011	Barrier Observation 06/07/2011	Barrier Level Bayer (75.00%)	Barrier Level Beiersdorf (75.00%)	Barrier Level Deutsche Bank (75.00%)	Coupon Amount EUR 35.00 13/07/2011
Final Fixing Date 06/07/2011						

Coupon Amount(s) and Coupon Payment Date(s) The Coupon Amount(s) per Product will be paid in the Settlement Currency on the respective Coupon Payment Date(s). Following Business Day Convention applies.

EUR 35.00 paid on 13/07/2011

## Dates

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Subscription End Date	03/03/2011
Initial Fixing Date	02/03/2011
Issue Date	10/03/2011
First Exchange Trading Date	10/03/2011 (anticipated)
Last Trading Day/Time	06/07/2011 / Exchange market close
Final Fixing Date	06/07/2011 (subject to Market Disruption Event provisions)
Redemption Date	13/07/2011 (subject to Settlement Disruption Event provisions)

## Redemption

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The Coupon Amount(s) per Product will be paid in any case at the respective Coupon Payment Date(s). In addition the Investor is entitled to receive from the Issuer on the Redemption Date per Product:

<b>Scenario 1</b>	If a Barrier Event has NOT occurred, the Investor will receive a Cash Settlement in the Settlement Currency equal to: Denomination
<b>Scenario 2</b>	If a Barrier Event HAS occurred, the Investor will receive a round number (i.e. Conversion Ratio) of the Underlying with the Worst Performance per Product. Any potential fractional Conversion Ratio entitlements (Fraction of Underlyings), will be paid in cash, based on the Final Fixing Level.
Initial Fixing Level	An observed price 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.
Barrier Event	A Barrier Event shall be deemed to occur if at least one of the Underlyings' Final Fixing Levels is at or below the respective Barrier Level, as reasonably determined by the Calculation Agent.

## General Information

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Issuer	EFG Financial Products (Guernsey) Ltd., St Peter-Port, Guernsey
Guarantor	EFG International AG, Zurich, Switzerland (Rating: Fitch A with stable outlook, Moody's A3 with stable outlook)
Collateral Provider	EFG Financial Products AG, Zurich, Switzerland
Lead Manager	EFG Financial Products AG, Zurich, Switzerland
Marketing Partner	Aspermont Capital 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.
Quoting Type	Secondary market prices are quoted clean; accrued Coupon Amount is NOT included in the prices.
Quotation Type	Secondary market prices are quoted in percentage.
Coupon Day Count Convention	30/360; Unadjusted; Accruing during each coupon period (including start and excluding end date).
Settlement Type	Cash Settlement or Delivery of Underlying
Minimum Investment	EUR 1'000
Minimum Trading Lot	EUR 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 AG, Euroclear, Clearstream
Depository	SIX SIS AG
Form	Uncertificated Security / Book-entry
Governing Law/Jurisdiction	Swiss/Zurich

## Taxes in Switzerland

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Swiss Federal Stamp Duty	Secondary market transactions are not subject to Swiss stamp duty. The possible Delivery of the Underlying may be subject to Swiss stamp duty.
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 Interest Component of the coupon on the respective payment date(s) and the increase of the value of the bond part (according to the "Modifizierte Differenzbesteuerung") at sale or at Redemption are 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 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 Interest Component is subject to the EU savings tax (TK6).

The tax information 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.

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. 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](mailto:termsheet@efgfp.com)).

## Risk Factors Relating to the Product

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The risk of loss related to this Product is similar to an investment in the worst performing Underlying. Therefore, the Investor could lose the total capital invested if the Barrier Event has occurred and if the value of the Underlying with the Worst Performance falls to zero. In case of Delivery of Underlying the Investor's custody bank may charge a transaction fee. However, the Investor will always receive the Coupon Amount for the Product irrespective of the redemption scenario applicable.

## Additional Risk Factors

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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).

#### 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 SIX AG in favour of SIX Swiss Exchange. 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

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#### 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® - Investor Protection engineered by SIX Group. COSI® are structured products with a minimal counterparty 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).

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.

The current value of this COSI Product is determined by method «A (Fair Value)». More detailed information about the calculation method is available at «[www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)».

