

14.40% p.a. CHF Kick-In GOAL

Linked to worst of Apple / Microsoft / Oracle

Issued by UBS AG, London Branch



Cash settled; Quanto Style; Kick-In Observation at Expiry
 SVSP/EUSIPA Product Type: Barrier Reverse Convertible (1230*, European Knock-In)
 Valor: 12724742 / SIX Symbol: KIAVW

Final Terms

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ss of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA.

1. Description of the Product

Information on Underlying

Underlying(s)	Initial Underlying Level	Strike Level	Kick-In Level	Conversion Ratio
Apple Inc. Bloomberg: AAPL UW / Valor: 908440	334.64	334.64 (100.00%)	250.98 (75.00%)	1:2.9883
Microsoft Corporation Bloomberg: MSFT UW / Valor: 951692	24.78	24.78 (100.00%)	18.59 (75.00%)	1:40.3551
Oracle Corporation Bloomberg: ORCL UW / Valor: 959184	30.55	30.55 (100.00%)	22.91 (75.00%)	1:32.7332

Product Details

Security Numbers	Valor: 12724742 / ISIN: CH0127247424 / WKN: UB6KTD
SIX Symbol	KIAVW
Issue Size	up to CHF 500,000 (with reopening clause)
Denomination / Nominal	CHF 1,000
Issue Price	100%
Settlement Currency	CHF (Quanto)
Payment (Coupon)	14.40% p.a., paid in arrears. Coupon payment per Denomination will be CHF 36.00 on the relevant Coupon Payment Date(s). For tax purposes the Coupon payment is split into two components: 0.20% interest component 14.20% premium component
Quanto Style	The Redemption is not subject to the USD/CHF exchange rate.
Quoting Type	Secondary market prices are quoted in percentage and clean; accrued interest is NOT included in the price.

Dates

Launch Date	17 March 2011
Pricing Date ("Pricing")	17 March 2011
First SIX Trading Date (anticipated)	24 March 2011
Payment Date (Issue Date)	24 March 2011
Coupon Payment Date(s)	24 June 2011
Last Trading Day/Time	17 June 2011 / 17:15 CET
Expiration Date ("Expiry")	17 June 2011 (subject to Market Disruption Event provisions)
Redemption Date	24 June 2011 (subject to Market Disruption Event provisions)

Redemption

The Investor is entitled to receive from the Issuer on the Redemption Date an amount in the Settlement Currency, according to the following scenarios:

Scenario 1	If the Expiration Value of all Underlyings is above the respective Kick-In Level, the Investor will receive 100% of the Nominal in cash.
Scenario 2	If the Expiration Value of one or more of the Underlyings is at or below the respective Kick-In Level, the Investor will receive an amount equivalent to the Expiration Value of the Underlying with the worst performance since the Pricing Date, taking into account the relevant Conversion Ratio.
	The coupon payment is due in any case.
Expiration Value	Official closing value of the Underlying on the Expiration Date on the Related Exchange, as determined by the Calculation Agent.

Product Structure

The Kick-In GOAL worst-of style is a product that provides a fixed coupon and the redemption is linked to the performance of the worst performing Underlying at Expiry.

If none of the Kick-In Levels have been breached at Expiry, the Investors will receive 100% of the Nominal in cash.

If at least one of the Kick-In Levels has been breached at Expiry, the redemption value will reflect the performance of the worst performing Underlying.

The Coupon will be paid out in any scenario. The Product offers a relatively high coupon in return for not profiting from gains above the strike level and for taking the risk of a loss potential equivalent to a direct investment in the worst performing Underlying.

General Information

Issuer	UBS AG, London Branch
Issuer Rating	Aa3 Moody's / A+ S&P's / A+ Fitch
Lead Manager	UBS AG, Zurich (UBS Investment Bank)
Calculation Agent	UBS AG, London Branch
Paying Agent	UBS AG, Zurich
Related Exchange	Apple: Nasdaq Stock Markets, Inc. / Microsoft: Nasdaq Stock Markets, Inc. / Oracle: Nasdaq Stock Markets, Inc.
Listing	Listing on SIX Swiss Exchange will be applied for.
Secondary Market	Daily price indications will be available on Reuters/Bloomberg; www.ubs.com/keyinvest and Telekurs from 09:15-17:15 CET.
Interest Calculation	30/360
Business Day Convention	Following Unadjusted
Business Day	Zurich and New York
Minimum Investment	CHF 1,000
Minimum Trading Lot	CHF 1,000

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Banks and Intermediaries: +41-44-239 68 00*

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Clearing	SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of Deed	Uncertificated Securities
Governing Law / Jurisdiction	Swiss / Zurich
Adjustments	The terms of the Product may be subject to adjustments during its lifetime. Detailed information on such adjustments is to be found in the Product Documentation.

Tax Treatment Switzerland

Bondfloor at issue	100% (CHF 1,000)
Swiss Federal Stamp Duty	Secondary market transactions are not subject to Swiss Stamp Duty. If shares are delivered to the Investor at redemption, the delivery of the shares is in principle subject to the Swiss Stamp Duty.
Swiss Federal Income Tax	For tax purposes this Product is qualified as a combination of an option and bond, where the majority of the return of the bond part is in the form of a discount or of one payment on redemption date (IUP). For private Investors with tax domicile in Switzerland the increase of the value of the bond part (according to the "Modifizierte Differenzbesteuerung") at sale or maturity is subject to Swiss federal as well as cantonal and communal income tax. Such an Investor is taxed on the difference between the bondfloor at purchase* and the bond floor at sale or redemption*. The bond floor at redemption equals the sum of 100% of the nominal amount and the interest component of the coupon*. For an Investor however, any gain derived from the option is considered as capital gain and is therefore for such investors subject to neither Swiss federal nor cantonal and communal income tax. * each to be converted into CHF at the prevailing exchange rate at purchase and sale or redemption (if applicable).
Swiss Withholding Tax	The product is not subject to the Swiss Withholding Tax.
EU Savings Tax	For Swiss paying agents, the interest component of the payment 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, possibly with retroactive effect.

Product Documentation

The Final Terms together with the 'General Terms and Conditions for Structured Products on Equity, Commodity and Index Underlyings', as amended from time to time ("General Terms and Conditions") shall form the entire documentation for this Product ("Product Documentation"), and accordingly the Final Terms should always be read together with the General Terms and Conditions. Definitions used in the Final Terms, but not defined therein shall have the meaning given to them in the General Terms and Conditions. Furthermore, the Final Terms shall serve as and fulfil the requirements of a 'Simplified Prospectus' in accordance with Art. 5 of the Swiss Federal Act on Collective Investment Schemes (CISA). In the event that the Product is listed (see above item 'Listing' under 'General Information'), the Product Documentation will be amended in accordance with the listing requirements of the relevant Exchange.

During the whole term of this Product, the Product Documentation can be ordered free of charge from the Lead Manager at P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com). In addition, the Product Documentation is available on the internet at www.ubs.com/keyinvest.

Notices in connection with this Product shall be validly given by publication in electronic media such as Reuters and/or Investdata. In addition, any changes with regard to the terms of this Product shall be published on the internet at www.ubs.com/keyinvest.

Classification

This Product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ss of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Product are not eligible for the specific investor protection under the CISA.

Furthermore, this Product does not benefit from any depositor protection under Art. 37b under the Swiss Federal Law on Banks and Savings Banks (Banking Act) or other forms of deposit insurance under any other law as might be applicable to this Product.

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Prudential Supervision

UBS AG is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). In addition, its London Branch is authorised and regulated by the Financial Services Authority (FSA) and its Jersey Branch by the Jersey Financial Services Commission (JFSC).

2. Prospects of Profits and Losses

Market Expectation	Investors in this Product expect all Underlyings to trade flat to slightly negative or positive over the life of the Product, but at least at Expiration. In any case the Investors expect that none of the Underlyings will breach the Kick-In Level at Expiration.
Risk Tolerance	Investors in this Product should be experienced investors and familiar with both derivative products and the stock markets. Although the Investors benefit from a predefined, regular coupon payment, they must be willing to make an investment that is exposed to the full down-side risk of the worst performing Underlying.
Profit Potential	The profit potential is limited to the coupon payment.
Loss Potential	The Investors may lose some or all of the investment as they are fully exposed to the performance of the Underlying. A high coupon can indicate a higher risk, in that the rate of the coupon relative to the rate of the risk-free return indicates the overall risk of the product.

3. Significant Risks for Investors

For product specific risks please see above (2. Prospects of Profits and Losses)

Risk Factors relating to the Issuer

In addition to the market risk with regard to the development of the Underlying, each Investor bears the general risk that the financial situation of the Issuer could deteriorate. The Products constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank *pari passu* with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer's creditworthiness may affect the value of the Products. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's.

The Issuer Ratings indicated in this document reflect the situation at the time of issuance and may be subject to changes. The actual Issuer Ratings at any given time can be seen on the Issuer's website (www.ubs.com) under "Analysts & Investors".

Secondary Market

The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. Potential Investors therefore should not rely on the ability to sell this Product at a specific time or at a specific price.

In special market situations, where the Issuer is completely 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.

Market Risk

The investor is exposed to market disruption events (such as trading disruption, exchange disruption and early closure of the relevant exchange), adjustments and early termination which could have an impact on the redemption amount through delay in payment or change in value. For a detailed description of such events and their effects please read the General Terms and Conditions.

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Important Information

This information is communicated by UBS AG and/or its affiliates ("UBS"). UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the transaction to which this document relates. UBS may provide investment banking and other services to and/or have officers who serve as directors of the companies referred to in this document. UBS' trading and/or hedging activities related to this transaction may have an impact on the price of the underlying asset and may affect the likelihood that any relevant barrier is crossed. UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

In certain circumstances UBS sells this Product to dealers and other financial institutions at a discount to the issue price or rebates to them for their account some proportion of the issue price. Further information is available on request.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction you should consult with your own legal, regulatory, tax, financial and accounting advisors to the extent you consider it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon your own judgement and advice from those advisers you consider necessary. Save as otherwise expressly agreed in writing, UBS is not acting as your financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment will be exclusively subject to the detailed provisions, including risk considerations, contained in the Information Memorandum, Prospectus or other issuer documentation for the issue of the Products/Notes (the "Prospectus" or the product documentation).

UBS makes no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without UBS' prior written permission.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Products described herein, save where explicitly stated in the Product Documentation. The Products must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Product may arise for the Investor that are not paid by UBS or imposed by it.

Selling Restrictions

Any Products purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Product in such jurisdiction.

The restrictions listed below must not be taken as definitive guidance as to whether this Product can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Product may apply in other jurisdictions. Investors in this Product should seek specific advice before on-selling this Product.

Europe - For EEA jurisdictions (EU member states plus Norway, Iceland and Liechtenstein) that have implemented the EU Prospectus Directive ("EU-PD"), the Product Documentation for this Product DO NOT QUALIFY as a prospectus published in accordance with the requirements of the EU-PD. Unless and until a prospectus has been published in accordance with the requirements of the EU-PD, this Product may not be offered or sold in EEA jurisdictions that have implemented the EU-PD other than 1) in minimum denominations of, or total consideration per Investor of at least, EUR 50,000 (or equivalent in other currencies) or 2) only to Qualified Investors; and/or (aggregated for all distributors) to less than 100 offerees that are not Qualified Investors per EEA jurisdiction. A "Qualified Investor" is a legal entity that (i) is authorised or regulated to operate in the financial markets or has the sole purpose to invest in securities; or (ii) meets two of the following three criteria (as shown in its last annual or consolidated accounts): (a) an average number of at least 250 employees during the last financial year; (b) a total balance sheet of more than EUR 43,000,000; and (c) an annual net turnover of more than EUR 50,000,000.

For EEA jurisdictions that have not implemented the EU-PD, sales must be in compliance with the law of that jurisdiction.

Hong Kong - The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it.

This Product has not been offered and sold, and each purchaser represents and agrees that it will not offer and sell the Product in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy and sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong or to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance. In relation to the issue of this Product, each purchaser represents and agrees that it has not issued and will not issue any advertisement, invitation or document relating to the Product, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Product which is or is intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

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Singapore - This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of this Product may not be circulated or distributed, nor may this Product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Cap. 289) of Singapore ("SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where this Product is subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant of an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276 (4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in Section 276 (7) of the SFA.

UK - For the purposes of non-discretionary accounts, this Product should not be sold with a consideration of less than 50,000 EUR or equivalent.

USA - This Product may not be sold or offered within the United States or to U.S. persons, the foregoing shall not, however, prohibit sales to U.S. offices of UBS AG.

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