

ADDENDUM I

to the Programme of Leonteq Securities AG
dated 5 October 2013 (the "Programme") regarding
Triparty Collateral Management Secured Structured Products (TCM)

REASONS FOR THIS ADDENDUM:

Under the terms of its Programme, Leonteq Securities AG, which may also be acting through its Guernsey branch, may issue structured products and warrants, which are secured in accordance with the terms of the Security Agreement regarding Triparty Collateral Management.

CHANGES TO THE PROGRAMME:

The Programme is amended by the new section "Triparty Collateral Management Secured Structured Products (TCM)" as shown in the Annex. The new section is following the existing section "III Collateral Secured Instruments (COSI)".

Furthermore the provision of the "Risk Factors" and the "General Terms and Conditions" relating to "Collateral Secured Instruments (COSI)" are valid throughout the Programme for "Triparty Collateral Management Secured Structured Products (TCM)" as well. References made in those sections to "SIX Swiss Exchange" are replaced by "SIX SIS AG" in case of applying for "Triparty Collateral Management Secured Structured Products (TCM)".

Zurich, 20 December 2013

TRIPARTY COLLATERAL MANAGEMENT SECURED STRUCTURED PRODUCTS (TCM)

1. COLLATERALIZATION OF STRUCTURED PRODUCTS THAT ARE COLLATERALIZED IN ACCORDANCE WITH THE TERMS OF THE SECURITY AGREEMENT FOR TRIPARTY COLLATERAL MANAGEMENT SECURED STRUCTURED PRODUCTS (TCM)

The TCM Secured Structured Product (the "Product") is secured in accordance with the terms of the Security Agreement (as defined below). Leonteq Securities AG ("Collateral Provider") undertakes to secure the value of the Product at any given time. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Final Termsheet of the Product or the Security Agreement respectively.

The owner of the Product ("Collateral Taker") has a surety right to the collateral. Security must be provided to the Collateral Taker in the form of a regular right of lien. The collateral is booked to an account of the Collateral Provider with SIX SIS AG. The Product and the collateral shall be valued on each banking day. The Product will be valued by the Calculation Agent and such calculation will be published by the Calculation Agent on the respective webpage of SIX Financial Information AG. The Collateral Provider shall be obliged to adjust the collateral to any changes in value. Permitted forms of collateral shall be selected by SIX SIS AG on an ongoing basis from various categories of security, among others also the securities that are the direct or indirect underlying's of the Product. The Collateral Provider shall, upon inquiry, inform investors about the collateral that is eligible as security for the Product at any given time.

2. DOCUMENTATION

The collateralization in favor of the Collateral Takers is based on the "Security Agreement" between the Collateral Provider, the Collateral Taker, represented by SIX SAG AG (the "Collateral Agent"), and SIX SIS AG dated 12 December 2013 ("Security Agreement"). The Security Agreement constitutes an integral part of the Product Documentation governing the Product. In the event of any contradiction between the Product Documentation and the Security Agreement, the Security Agreement takes precedence. The issuer shall, upon request, provide the Security Agreement to investors free of charge. The Security Agreement may be obtained from Leonteq Securities AG, 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@leonteq.com).

3. COLLATERALIZATION METHOD

The collateral that must be furnished by the Collateral Provider is determined by the value of the Product at any given time (hereinafter "Current Value"). The Current Value of the Product is calculated exclusively by, and with full responsibility of, the Collateral Provider in accordance with acknowledged accounting principles but without any independent review. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG recalculates or otherwise reviews the calculation of the Current Value. The Current Value is communicated by the Collateral Provider to SIX Financial Information AG which publishes it. SIX SIS AG calculates whether the Coverage Requirements for the collateral on the basis of the Current Value as published by SIX Financial Information AG are met. Neither the Collateral Agent, nor SIX SIS AG nor SIX Financial Information AG shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of an inaccurate calculation of the Current Value or of an inaccurate communication of such value to SIX Financial Information AG. The Collateral Provider can act as the Calculation Agent. The Calculation Agent shall provide upon demand the method used to calculate the Current Value. The calculation method shall be determined for each Product upon its issuance and shall remain unchanged for its entire term. The collateral provided for a Product will be earmarked for this product and will not secure any other TCM Secured Structured Product.

4. DISTRIBUTION AND MARKET MAKING

The distribution of the Product shall be the responsibility of the issuer. The bid price published by the Calculation Agent on the respective page of SIX Financial Information AG does neither constitute an offer nor an invitation for an offer to purchase the Product.

5. RISKS

Collateralization eliminates the issuer default risk only to the extent that the proceeds from the liquidation of collateral upon occurrence of a Realization Event (less the costs of liquidation and payout) are able to meet the investors' claims. The investor bears the following risks, among others: (i) the Collateral Provider is unable to supply the additionally required collateral if the value of the Product rises or the value of the collateral decreases; (ii) in a Realization Event, the collateral cannot be liquidated immediately by the Collateral Agent because of factual hindrances or because the collateral must be handed over to the executory authorities for liquidation (iii) the market risk associated with the collateral results in insufficient liquidation proceeds or, in extreme circumstances, the collateral might lose its value entirely until the liquidation can take place; (iv) the maturity of the Product in a foreign currency according to the Security Agreement may result in losses for the investor because the Current Value (determinant for the investor's claim against the issuer) is set in the foreign currency, while payment of the pro-rata share of net liquidation proceeds (determinant for the extent to which the investor's claim against the issuer is satisfied) may be made in a different currency (v) the collateralization is challenged according to the laws governing debt enforcement and bankruptcy, so that the collateral cannot be liquidated according to the terms of the Security Agreement. The collateralization does not eliminate the risk that there might not be a buyer for the Product during its lifetime and that the investor might have to hold the Product until maturity.

6. LIQUIDATION OF COLLATERAL

If the Collateral Provider fails to fulfill its obligations, the collateral will be liquidated by the Collateral Agent or a liquidator under the terms of the applicable legal regulations. Collateral may be liquidated ("Realization Events") in particular if (i) the Collateral Provider fails to furnish the required collateral or fails to do so in due time, unless this is remedied within five (5) banking days; (ii) the issuer fails to fulfill a payment or delivery obligation under the Product upon maturity according to the issuing conditions or fails to do so in due time, unless this is remedied within five (5) banking days; (iii) the Swiss Financial Market Supervisory Authority FINMA orders protective measures with regard to the issuer or the Collateral Provider under article 26 paragraph 1 letter (f) or (h) of the Federal Act on Banks and Savings Banks ("Banking Act"), or restructuring proceedings under article 28 et seq. of Banking Act or liquidation (winding-up proceedings) under article 33 et seq. of the Banking Act. The Security Agreement provides for the exact time at which each Realization Event occurs. The remedy of a Realization Event is not possible.

7. DETERMINATION OF A REALIZATION EVENT

The Collateral Agent is not required to undertake investigations with regard to the occurrence of a Realization Event. In determining the occurrence of a Realization Event, it bases its decision on reliable sources of information only. The Collateral Agent determines with binding effect for the investors whether an incident qualifies as a Realization Event and at what point in time the Realization Event occurred.

8. PROCEDURE IN CASE OF A REALIZATION EVENT

If a Realization Event occurs, the Collateral Agent is at its discretion entitled: (i) to make public the occurrence of a Realization Event immediately or at a later stage in suitable form,; as well as (ii) to liquidate immediately or at a later stage – without regard to the amount of unsatisfied claims – all existing collateral on a private basis, provided the applicable legal regulations or regulatory orders do not prohibit such private liquidation (and, if a private liquidation is not possible, hand the collateral over to the competent person for liquidation).

9. MATURITY OF THE PRODUCT AS WELL AS INVESTOR CLAIMS AGAINST THE ISSUER

The Realization Event with regard to a specific Product does not trigger the Realization Event of other TCM Secured Structured Products of the issuer. The Collateral Agent will communicate the due date of the Realization Event of a TCM Secured Structured Product. The investor shall have a security interest in accordance with article 25 paragraph 2(b) of the Swiss Federal Intermediated Securities Act ("FISA") over the securities and a pledge according to article 899 et seq. of the Swiss Code of Obligations over the cash provided as collateral to secure the TCM Secured Structured Product. The acquisition of a TCM Secured Structured Product by an investor automatically entails the declaration vis-à-vis the Collateral Agent to accept the Collateral Agent as its representative regarding the Security Agreement and that he wishes to enforce his right under the Security Agreement in the Realization Events mentioned therein. In dealings with the Collateral Agent and SIX SIS AG, investors are bound by the provisions of the Security Agreement, specifically the choice of Swiss law and the exclusive jurisdiction of the Courts of Zurich (Switzerland). If a Realization Event with regard to a Product has occurred, the Collateral Agent will determine as Liquidation Value of such product the last Current Value available prior to the occurrence of the Realization Event. This value shall be binding on the Collateral Provider and the investors. Investors' claims against the issuer will be based on these Current Values when the TCM Secured Structured Products mature in accordance with the Security Agreement.

10. COSTS OF LIQUIDATION AND PAYOUT FOR THE BENEFIT OF THE INVESTORS

Any costs of the Collateral Agent and in connection with the liquidation of the collateral (including fees, taxes and duties) shall, in advance, be covered out of the proceeds of the liquidation of the collateral. In addition, the Collateral Agent shall be entitled to satisfy, in advance out of the proceeds of the liquidation of the collateral, any outstanding claims it holds against the Collateral Provider under the terms of the Security Agreement. The remaining liquidation proceeds are available for payout to the investors in the Product. The pro-rata share of net liquidation proceeds due to investors will be transferred to SIX SIS AG participants on a delivery versus payment basis. In doing so the Collateral Agent is released from all further obligations. The claim of the investors is non-interest-bearing. The payment to the Investors may be delayed for factual or legal reasons. The Collateral Agent and SIX SIS AG are not liable to pay either default interest or damages should the payout be delayed for any reason. The maximum claim of an investor to satisfaction from the net liquidation proceeds of the collateral earmarked for the Product is determined by its Current Value. Each Product will only be secured by its earmarked collateral. The investors' claims against the issuer arising from the Product are reduced by the amount of the payment of the net liquidation proceeds. No further investors' claims exist against the Collateral Agent, SIX SIS AG or other persons which are involved in the collateralization service for the Product under the terms of the Security Agreement.

11. LIABILITY

The liability of the parties to the Security Agreement to pay damages exists only in cases of gross negligence or intentional misconduct. Further liability is excluded.

12. NO AUTHORISATION

TCM Secured Structured Products do not constitute collective investment schemes pursuant to the Federal Act on Collective Investment Schemes (CISA). They do not require authorization or supervision by the Swiss Financial Market Supervisory Authority FINMA.

13. CONGRUENCE WITH THE PROGRAMME

The information provided in this section "Triparty Collateral Management Secured Structured Products (TCM)" corresponds to the document "Information regarding the TCM Secured Structured Product". The terms contained herein are incorporated as follows in the Programme:

Term used in this section "Triparty Collateral Management Secured Structured Products (TCM)"	Corresponding Programme Definition
issuer	Issuer
investor	Investor
banking day	Business Day
maturity	Redemption, Redemption Date or Final Fixing Date

The provisions of this section "Triparty Collateral Management Secured Structured Products (TCM)" take precedence in the event of contradiction between this section and the other content of the Programme.