

Capital Protection Certificate with Coupon on Nestlé, Novartis Alcon Basket, Roche, Swiss Re, Zurich Insurance

100.00% Capital Protection | Autocallable | Early Redemption Coupon Amount | 0.40% Guaranteed Coupon

Final Fixing Date 01/03/2027; issued in CHF; listed on SIX Swiss Exchange AG

ISIN CH0266704201 | Swiss Security Number 26670420 | SIX Symbol LTQIBA

Investors should read the section “Significant Risks” below as well as the section “Risk Factors” of the relevant Programme.

This Product is a derivative instrument. It does not qualify as unit of a collective investment scheme pursuant to art. 7 et seqq. of the Swiss Federal Act on Collective Investment Schemes (CISA) and is therefore neither registered nor supervised by the Swiss Financial Market Supervisory Authority FINMA. Investors do not benefit from the specific investor protection provided under the CISA.

Until the Initial Fixing Date, the terms of this Termsheet are indicative and may be adjusted anytime. The issuer is not obliged to issue the product.

I. Product Description

Market expectation of the Investor

Underlyings trade slightly higher.

Product description


This Product offers the Investor beside a Guaranteed Coupon Amount a periodic opportunity to receive a Early Redemption Coupon Amount. In addition the Investor will receive on the Redemption Date a Cash Settlement equal to the Denomination multiplied by the Capital Protection.

The Terms and Conditions of this Product have been adjusted due to Corporate Actions.

Underlying					
Underlying	Related Exchange	Bloomberg Ticker	Initial Fixing Level (100%)*	Autocall Trigger Level (100.00%)*	Coupon Trigger Level (100.00%)*
NESTLE SA-REG	SIX Swiss Exchange AG	NESN SW	CHF 74.40	CHF 74.40	CHF 74.40
NOVARTIS ALCON BASKET	SIX Swiss Exchange AG	N/A	CHF 97.45	CHF 97.45	CHF 97.45
ROCHE HOLDING AG-GENUSSSCHEIN	SIX Swiss Exchange AG	ROG SW	CHF 258.80	CHF 258.80	CHF 258.80
SWISS RE AG	SIX Swiss Exchange AG	SREN SW	CHF 84.7699	CHF 84.7699	CHF 84.7699
ZURICH INSURANCE GROUP AG-REG	SIX Swiss Exchange AG	ZURN SW	CHF 304.80	CHF 304.80	CHF 304.80

Product Details	
Swiss Security Number	26670420
ISIN	CH0266704201
SIX Symbol	LTQIBA
Issue Price	100.00%
Issue Size	CHF 10'000'000 (can be increased at any time)
Denomination	CHF 1'000
Settlement Currency	CHF
Capital Protection	100.00%
Guaranteed Coupon	0.40% p.a.
Guaranteed Coupon Amount(s) and Coupon Payment Date(s)	The Guaranteed Coupon Amount(s) per Product will be paid in the Settlement Currency on the respective Coupon Payment Date(s). Following Business Day Convention applies.

* levels are expressed in percentage of the Initial Fixing Level

Subscription Until 27/02/2015	Final Fixing Date 01/03/2027	Redemption Date 09/03/2027				
						

CHF 4.00 paid on 04/03/2016
 CHF 4.00 paid on 06/03/2017
 CHF 4.00 paid on 06/03/2018
 CHF 4.00 paid on 06/03/2019
 CHF 4.00 paid on 05/03/2020
 CHF 4.00 paid on 04/03/2021
 CHF 4.00 paid on 04/03/2022
 CHF 4.00 paid on 06/03/2023
 CHF 4.00 paid on 06/03/2024
 CHF 4.00 paid on 07/03/2025
 CHF 4.00 paid on 05/03/2026
 CHF 4.00 paid on 09/03/2027

Dates

Subscription End Date	27/02/2015 14:00 CET
Initial Fixing Date	27/02/2015
Issue Date	09/03/2015
First Exchange Trading Date	09/03/2015 (anticipated)
Last Trading Day/Time	01/03/2027 / Exchange market close
Final Fixing Date	01/03/2027 (subject to Market Disruption Event provisions)
Redemption Date	09/03/2027 (subject to Settlement Disruption Event provisions)

Autocall Observation and Early Redemption Dates	Autocall Observation Date	Autocall Trigger Level^a	Early Redemption Date	Early Redemption Coupon Amount
1	01/03/2019	100.00%	06/03/2019	CHF 60.00
2	02/03/2020	100.00%	05/03/2020	CHF 75.00
3	01/03/2021	100.00%	04/03/2021	CHF 90.00
4	01/03/2022	100.00%	04/03/2022	CHF 105.00
5	01/03/2023	100.00%	06/03/2023	CHF 120.00
6	01/03/2024	100.00%	06/03/2024	CHF 135.00
7	04/03/2025	100.00%	07/03/2025	CHF 150.00
8	02/03/2026	100.00%	05/03/2026	CHF 165.00
9	01/03/2027	100.00%	09/03/2027	CHF 180.00

^aLevels are expressed in percentage of the Initial Fixing Level

If any of the above-mentioned Autocall/Coupon Observation Dates is not an Exchange Business Day for an Underlying, the next following Exchange Business Day for that Underlying shall be the respective Autocall/Coupon Observation Date. General Terms and Conditions apply also to the Autocall/Coupon Observation Dates as if they were Final Fixing Dates. If any of the above-mentioned Early Redemption or Coupon Payment Dates is not a Business Day, the next following Business Day will apply.

Redemption

The Guaranteed Coupon Amount(s) per Product will be paid in any case at the respective Coupon Payment Date(s). Provided that no Early Redemption has occurred on one of the pre-defined Autocall Observation Dates, the Investor is entitled to receive from the Issuer on the Redemption Date per Product a Cash Settlement in the Settlement Currency according to the following formula:

Denomination x Capital Protection

Initial Fixing Level	Official close 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.
Early Redemption	Provided that on one of the pre-defined Autocall Observation Dates the official close of all Underlyings is above their Autocall Trigger Level an Early Redemption will occur and the Product will expire immediately. The Investor will receive on the relevant Early Redemption Date a Cash Settlement which equals the Denomination plus the Early Redemption Coupon Amount. No further payments will be made.
Coupon Trigger Event	A Coupon Trigger Event shall be deemed to occur, if on any Coupon Observation Date all Underlyings close above their respective Coupon Trigger Level, as reasonably determined by the Calculation Agent.
Issuer Early Redemption Right	The Issuer may call, for the first time 10 years after the Issue Date, all Products for redemption with effect to any Business Day by one month prior announcement (the " Redemption Announcement ") of the exercise of its termination right and specification of the Redemption Date in accordance with the General Terms and Conditions of the Programme.

General Information

Issuer	Leonteq Securities AG, Zurich, Switzerland
Lead Manager	Leonteq Securities AG, Zurich, Switzerland
Calculation Agent	Leonteq Securities AG, Zurich, Switzerland
Paying Agent	Leonteq Securities AG, Zurich, Switzerland
Distribution Fees	Up to 0.08% p.a. (incl. VAT, if any. Reference is made to section "Remunerations to Third Parties" herein and to the General Terms and Conditions of the Programme.)
Issuer Estimated Value ("IEV")	98.05% (reference is made to paragraph "Issuer Estimated Value and Total Expense Ratio" in section Additional Information/Disclaimer herein)
Total Expense Ratio ("TER")	1.95% p.a. (reference is made to paragraph "Issuer Estimated Value and Total Expense Ratio" in section Additional Information/Disclaimer herein)
Listing/Exchange	SIX Swiss Exchange AG; traded on SIX Structured Products Exchange AG Listing will be applied for.
Secondary Market	Daily price indications will be available from 09:15 - 17:15 CET on www.leonteq.com , Thomson Reuters [SIX Symbol]=LEOZ or [ISIN]=LEOZ and Bloomberg [ISIN] Corp or on LEOZ.
Quoting Type	Secondary market prices are quoted dirty; accrued interest is 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
Minimum Investment	CHF 1'000
Minimum Trading Lot	CHF 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 Issuing Parties or the Lead Manager. Possible limitations resulting from legal restrictions with regard to cross-border communication and cross-border business concerning the products and related information remain reserved. Offering and selling restrictions in particular apply with respect to the 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 www.leonteq.com .
Clearing	SIX SIS Ltd, Euroclear, Clearstream
Depository	SIX SIS Ltd
Public Offering	Switzerland
Form	Uncertificated Security / Book-entry
Governing Law / Jurisdiction	Swiss / Zurich

The definition "Issuing Party/Parties" as used herein, means the Issuer, as indicated in section "General Information".

Taxation Switzerland

Swiss Federal Stamp Duty	For Swiss stamp duty purpose, the Product is treated as analogous to a bond. Therefore, secondary market transactions are in principle subject to Swiss stamp duty (TK22).
Swiss Federal Income Tax (for private investors with tax domicile in Switzerland)	For private investors with tax domicile in Switzerland holding the Product as part of their private property, the Coupon Amounts on their respective payment dates are 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 following part(s) of the Product is/are subject to the Swiss withholding tax: The guaranteed Coupon Amounts on the respective Coupon Payment Dates.
EU Savings Tax	For Swiss paying agents, the Product is not subject to the EU Savings tax.

For Investors resident in a state with whom Switzerland has concluded a bilateral agreement on a final withholding tax (currently in place with Austria and the United Kingdom) and provided the product is held in a custody account with a qualifying Swiss paying agent (deposit bank), any investment income or realised capital gains might be subject to the final withholding tax as laid out in the respective bilateral agreement. The applicable tax rate depends on the home country of the investor and the category of capital income or capital gain.

The tax information is a non-binding summary and only provides a general overview of the potential tax consequences linked to this Product at the time of issue. Tax laws and tax interpretation 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 Issuing Parties and the Lead Manager hereby expressly exclude any liability in respect of any possible tax implications.

Updated bondfloor information, if a bondfloor is applicable to the Product (according to "Product Details" and "Taxation Switzerland" herein), can be found on the following web page of the Swiss Federal Tax Administration (FTA): www.ictax.admin.ch. The Investor must be aware that for tax purposes the value of the bond floor is converted into Swiss Francs (CHF) at inception/purchase as well as at sale/redemption of the Product, in

case the Product is denominated in another currency than CHF. Thus, the Investor is exposed to the foreign exchange risk with regard to the taxable income calculation.

Product Documentation

The Indicative Termsheet includes the information required for a preliminary simplified prospectus pursuant to Article 5 of the Swiss Federal Act on Collective Investment Schemes ("CISA"). The Termsheet, which will be available no later than on the Issue Date, as well as the Final Termsheet include the information required for a definitive simplified prospectus pursuant to Article 5 CISA. The Termsheet contains a summary of information of the Product and is for information purposes only. Only the Final Termsheet in English language together with the Derivative Programme of the relevant Issuer valid as per the Initial Fixing Date containing all further relevant terms and conditions, as such is amended from time to time (the "Programme"), shall form the entire and legally binding 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 www.leonteq.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 Ltd. Notices to Investors relating to the Issuing Parties will be published under the section "About us" on www.leonteq.com and/or on the web page of the respective Issuing Party.

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@leonteq.com). Please note that all calls made to numbers marked with an asterisk (*) are recorded. By calling such number, your consent to the recording is deemed given.

II. Prospects for Profit and Loss

This product falls within the category "Capital Protection". Depending on whether the Product is capped or not, the profit an Investor could realize with this Product at redemption is limited (with cap) or unlimited (without cap). Any profit is composed of the invested capital (excluding any transaction or other costs) multiplied by the Capital Protection plus any additional (guaranteed and/or conditional) payments such as coupon or participation payments, bonuses or others.

On the downside the Investor's exposure to the Underlying(s) is floored at the Capital Protection level.

Please refer to the sections "Product Description" and "Redemption" for more detailed information on the characteristics of this Product.

III. Significant Risks

Risk Factors Relating to the Product

The risk of loss related to this Product is limited to the difference between the purchase price (if higher than the Capital Protection) and the Capital Protection. However, during the life of the Product, its price can fall below the protection level.

Additional Risk Factors

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 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 usual currency is not the currency in which the product is redeemed should be aware of their possible currency risk. The value of the Product may not correlate with the value of the Underlying(s).

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 such as interest rates, commodity prices or corresponding volatilities may have a negative effect on the valuation of the Underlying(s) or the Product. There is also the risk of market disruptions (such as trading or stock market interruptions or discontinuation of trading) or other unforeseeable occurrences concerning the respective Underlyings and/or their stock exchanges or markets taking place during the term or upon maturity of the Products. Such occurrences can have an effect on the time of redemption and/or on the value of the Products.

No dividend payment

This Product does not confer any claim to receive rights and/or payments of the underlying, such as dividend payments, unless explicitly stated herein, and therefore, without prejudice to any coupon or dividend payments provided for in this Termsheet, does not yield any current income. This means that potential losses in value of the Product cannot be compensated by other income.

Credit Risk of Issuing Parties

Investors bear the credit risk of the Issuing Parties of the Product. The Products constitute unsubordinated and unsecured obligations of the relevant Issuing Party and rank pari passu with each and all other current and future unsubordinated and unsecured obligations of the relevant Issuing Party. The insolvency of an Issuing Party may lead to a partly or total loss of the invested capital.

Potential Investors should note that the Issuer is not rated by the credit rating agencies, i.e. there is no credit rating for the Issuer.

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 (if specified in the section "General Information"). However, the Issuer and/or the Lead Manager, as applicable, make no firm commitment to provide liquidity by means of bid and offer prices for the Products, and assume no legal obligation to quote any such prices or with respect to the level or determination of such prices. 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.

Illiquidity Risk

One or, if applicable, more of the Underlyings might be or become illiquid over the life time of the Product. Illiquidity of an Underlying might lead to larger bid/offer spreads of the Product and/or to an extended time period for buying and/or selling the Underlying respective to acquire, unwind or dispose of the hedging transaction(s) or asset(s) or to realise, recover or remit the proceeds of such hedging transaction(s) or asset(s) which might implicate a postponed redemption or delivery and/or a modified redemption amount, as reasonably determined by the Calculation Agent.

Additional Information / Disclaimer

Prudential Supervision

Leonteq Securities AG, Zurich has a securities dealers licence issued by the FINMA and is under the supervision by the FINMA.

Conflict of Interests

The Issuing Parties and/or the Lead Manager and/or any third party appointed by them, 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 and Lead Manager's and/or the appointed third party'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 reimburse a certain amount to such financial institutions or intermediaries (reference is made to section "General Information" herein).

In addition, for certain services rendered by distribution partners and to increase quality and services relating to the Products, the Issuer and/or Lead Manager may from time to time pay trailer fees to such third parties.

Distribution fees are disclosed under "Distribution Fees" in section "General Information" herein.

Further information is available on request.

Issuer Estimated Value and Total Expense Ratio

The Issuer Estimated Value (the "IEV") and the Total Expense Ratio (the "TER") are calculated by the Issuer and/or the Lead Manager or any third party appointed by the Issuer, as applicable, on the Initial Fixing Date, or at the beginning of the subscription period and will not be updated during the lifetime of the Product. The TER corresponds to the difference between the Issue Price of the Product and the IEV and is comprised of the expected issuer margin and the Distribution Fee, if such is applicable (as stated in section "General Information" herein). The issuer margin covers amongst others the costs for the structuring, market making and settlement of the Product as well as the expected issuer revenues. The Issue Price (including the IEV and the TER) as well as the bid and offer prices of the Product are calculated based on internal pricing models of the Issuer and/or the Lead Manager or any third party appointed by the Issuer, as applicable.

Payment of a Coupon

If the product stipulates the payment of a Coupon, the Investor is only entitled to receive the respective coupon payment, if he has purchased/not sold the Product at the latest on the Business Day preceding the respective Coupon Ex-Date for the then prevailing price.

No Offer

The indicative Termsheet is primarily provided for information purposes and does not constitute a recommendation, an offer or a solicitation of an offer to buy financial products.

No Representation

The Issuer, the Lead Manager and any third party appointed by them make no representation or warranty relating to any information herein which is derived from independent sources.

For distribution in Switzerland

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23/04/2015 - Special dividend

Effective Date: 23/04/2015
Underlying: SWISS RE AG

SWISS RE AG distributed a Special Dividend of CHF 3.00 per share.

The Terms and Conditions have been adjusted as follows:

Initial Fixing Level new:	CHF 84.7699	(old: CHF 87.65)
Autocall Trigger Level new:	CHF 84.7699	(old: CHF 87.65)
Coupon Trigger Level new:	CHF 84.7699	(old: CHF 87.65)

23/10/2017 - Ticker Change

Underlying:
NESTLE SA-REG
NOVARTIS AG-REG
ROCHE HOLDING AG-GENUSSSCHEIN
SWISS RE AG
ZURICH INSURANCE GROUP AG-REG

Effective Date: 23/10/2017

NESTLE SA-REG, NOVARTIS AG-REG, ROCHE HOLDING AG-GENUSSSCHEIN, SWISS RE AG and ZURICH INSURANCE GROUP AG-REG have changed their Bloomberg Tickers.

The Terms and Conditions have been adjusted as follows:

Bloomberg Ticker new:	NESN SW	(old: NESN VX)
	NOVN SW	(old: NOVN VX)
	ROG SW	(old: ROG VX)
	SREN SW	(old: SREN VX)
	ZURN SW	(old: ZURN VX)

09/04/2019 – Spin Off

Effective Date: 09/04/2019
Underlying: NOVARTIS AG-REG

NOVARTIS AG has spun off ALCON AG at a ratio of 0.2:1.

The shares of NOVARTIS AG have been replaced by a basket (the "NOVARTIS ALCON BASKET") containing 1.00 share of NOVARTIS AG (NOVN SW Equity) and 0.20 shares of ALCON INC (ALC SW Equity).

The value or price of the NOVARTIS ALCON BASKET will be calculated based on the weighting and the value or price of the respective share on SIX Swiss Exchange, as reasonably determined by the Calculation Agent.

The Terms and Conditions have been adjusted as follows:

Underlying new:	NOVARTIS ALCON BASKET	(old: NOVARTIS AG-REG)
Bloomberg Ticker new:	N/A	(old: NOVN SW)
ISIN new:	DE000A2X1TP1	(old: CH0012005267)