

Amendment to Specified Securities Information

UBS Group AG

SPECIFIED SECURITIES INFORMATION

Type of Information:	Amendment to Specified Securities Information
Date of Announcement:	11 October 2019
Issuer Name:	UBS Group AG
Name and Title of Representative:	Antonio Boné, Authorized Signatory
Address of Head Office:	Bahnhofstrasse 45, 8001 Zürich, Switzerland
Telephone:	+41 44 239 26 55
Contact Person:	Takashi Tsukioka, Attorney-at-law Motoki Saito, Attorney-at-law Yoshifumi Hoshino, Attorney-at-law Nagashima Ohno & Tsunematsu Address: JP Tower, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo 100-7036 Telephone: +81 3-6889-7000
Type of Securities:	Notes
Total Issuance Value of Securities or Total Sale Value of Securities:	JPY 150,000,000,000
Contents of Program Information:	
Date of Announcement:	22 March 2018
Scheduled Issuance Period:	23 March 2018 to 22 March 2019
Maximum Outstanding Issuance Amount:	Unlimited
Matters related to Financial Instruments Exchange Market, etc.:	Not applicable
Address of Website for Announcement:	https://www.jpix.co.jp/english/equities/products/tpbm/announcement/index.html
Status of Submission of Annual Securities Reports:	None

This amendment is filed to update the information included in the Specified Securities Information dated 5 November 2018 (the “Specified Securities Information”) by replacing UBS Group Funding (Switzerland) AG with UBS Group AG as the Issuer due to the Voluntary Issuer Substitution that took effect on 11 October 2019 in accordance with Condition 16(a) of Base Prospectus dated 13 March 2018 with respect to UBS Group Funding (Switzerland) AG Senior Debt Programme Guaranteed by UBS Group AG for the issue of the Notes that was incorporated in, and to form part of, the Program Information filed on 22 March 2018 and supplemented by the first supplement dated 6 April 2018 and the second supplement dated 26 October 2018. This constitutes an integral part of the Specified Securities Information and shall be read together with it.

MATTERS TO BE UPDTAED/AMENDED

SPECIFIED SECURITIES INFORMATION

The corresponding section in the Specified Securities Information shall be updated as follows.

- 1. The fourth line, and eighth to fourteenth lines of the second cover page of the Specified Securities Information shall be deleted and restated as follows:*

Issuer Name:	UBS Group AG
Contact Person:	Takashi Tsukioka, Attorney-at-law Motoki Saito, Attorney-at-law Yoshifumi Hoshino, Attorney-at-law Nagashima Ohno & Tsunematsu Address: JP Tower, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo 100-7036 Telephone: +81 3-6889-7000

- 2. The Note 5 of the third cover page of the Specified Securities Information shall be deleted and restated as follows:*

5. All prospective investors who purchase the notes of UBS Group AG (the “**Issuer**”) to be issued under this Specified Securities Information (the “**Notes**”) should be aware that when they offer to purchase the Notes, they shall be required to (i) enter into and agree to the terms of a transfer restriction agreement with the Issuer and/or the person making a solicitation, or (ii) (in case of an offer to acquire the Notes to be newly issued) agree to comply with the terms of a transfer restriction that is described as constituting the terms of the Notes or the conditions of the transaction for the Notes in a document describing the information on the Notes and is explained by a financial instrument business operator, etc. (*kinyushohin torihikigyosha tou*) making a solicitation. The terms of such transfer restriction agreement or transfer restriction provide that prospective investors agree not to sell, transfer or otherwise dispose of the Notes to be held by them to any person other than the Professional Investors, Etc., except for the transfer of the Notes to the following:

- (a) the Issuer or the officer (meaning directors, company auditors, executive officers or persons equivalent thereto) thereof who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares and any non-voting rights shares (the “**Voting Rights Held by All the Shareholders, Etc.**” (*SouKabunushi Tou no Giketsuken*)) (as prescribed in Article 29-4, Paragraph 2 of the FIEA; the same shall apply hereinafter) of the Issuer under his/her own name or another person's name (hereinafter such Officer shall be referred to as the “**Specified Officer**” (*Tokutei Yakuin*) in this Paragraph), or to a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50 % of the Voting Rights Held by All the Shareholders, Etc. are held by the Specified Officer (the “**Controlled Juridical Person, Etc.**”) (*Hi-Shihai Houjin Tou*) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person, Etc. (as prescribed in Article 11-2, Paragraph 1, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the Financial Instruments and Exchange Act (MOF Ordinance No.14 of 1993, as amended)); or

- (b) a company that holds shares or equity pertaining to voting rights exceeding 50 % of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.

Issuer Substitution in respect of JPY 130,000,000,000 0.719 per cent. Fixed Rate/Floating Rate Senior Notes due 2024 issued by UBS Group Funding (Switzerland) AG and guaranteed by UBS Group AG

As communicated in UBS Group AG's 2018 annual report, in December 2018, the Swiss Parliament approved changes to the tax treatment of too big to fail ("**TBTF**") instruments (including instruments qualifying as (i) additional tier 1 capital (*Zusätzliches Kernkapital*) ("**AT1 Instruments**") or (ii) debt instruments for loss absorbency in the course of insolvency measures (*Schuldinstrumente zur Verlusttragung im Falle von Insolvenzmassnahmen*) ("**Bail-in Bonds**"), in each case, under the Ordinance concerning Capital Adequacy and Risk Diversification for Banks and Securities Dealers, dated 1 June 2012, as amended) issued by the holding companies of Swiss systemically important banks, such as UBS Group AG. The related new law aims to eliminate the additional tax burden imposed on systemically important banks as a result of required issuances of TBTF instruments at the holding company level. In March 2019, the Swiss Federal Council (the **Federal Council**) determined that the new law would enter into force retroactively as of 1 January 2019. Consequently, since the Federal Council determination, UBS has issued all new AT1 Instruments and Bail-in Bonds directly out of UBS Group AG. In addition, in its 2018 annual report, UBS communicated its expectation that UBS Group AG would assume all outstanding AT1 Instruments and Bail-in Bonds that are currently issued by UBS Group Funding (Switzerland) AG as a means of managing the aforementioned tax burden. UBS subsequently confirmed in its second quarter 2019 report that such AT1 Instruments and Bail-in Bonds would be so migrated to UBS Group AG during the second half of 2019.

Accordingly, UBS now intends to substitute UBS Group AG for UBS Group Funding (Switzerland) AG as issuer under all the outstanding AT1 Instruments and Bail-in Bonds (including the Notes (as defined below)) currently issued by UBS Group Funding (Switzerland) AG.

The substitution of UBS Group AG for UBS Group Funding (Switzerland) AG as issuer of the JPY 130,000,000,000 0.719 per cent. Fixed Rate/Floating Rate Senior Notes due 2024 (the **Notes**) was effected as of 11 October 2019 (the **Effective Date**). The issuer substitution was carried out pursuant to and in accordance with the voluntary issuer substitution requirements set out in clause (a) of Condition 16 (*Issuer Substitution*) of the terms and conditions of the Notes (the **Terms and Conditions of the Notes**), which consist of the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018, relating to the Senior Debt Programme (the **General Terms and Conditions**), as completed, supplemented, modified or replaced by the information in the Pricing Supplement relating to the Notes, dated 2 November 2018 (the **Pricing Supplement**). Upon completion of the issuer substitution, (i) the Notes will be issued by UBS Group AG and (ii) the guarantee issued by UBS Group AG on 9 November 2018 for the benefit of the holders of the Notes (the **Guarantee**), by operation of the Terms and Conditions of the Notes, ceased to exist.

For the avoidance of doubt, the Pricing Supplement contains information that does not form a part of the Terms and Conditions of the Notes. Such information was given only as of 2 November 2018 and is not being amended, supplemented or otherwise updated in connection with the issuer substitution described above. Such information includes (i) the information about the original issuer of the Notes, UBS Group Funding (Switzerland) AG, and UBS Group AG in its capacity as guarantor under the Guarantee set forth in items 16 and 17 of the section of the Pricing Supplement titled "PART A – CONTRACTUAL TERMS" (**Part A**), (ii) the statements set out under "Representative", "No Material Change Statement" and "Responsibility" in Part A, and (iii) with the exception of the information below given for purposes of compliance with the listing rules of the SIX Swiss Exchange, the information set forth in the section of the Pricing Supplement titled "PART B – OTHER INFORMATION" thereof.

After giving effect to the issuer substitution and amendments to the Terms and Conditions of the Notes described herein, the Ticker-Symbol, the ISIN, the Common Code and the Swiss Security Number for the Notes, as well as the web address and the auditors of UBS Group AG, remain unchanged.

- A. With effect from the Effective Date, (i) UBS Group AG is substituted for UBS Group Funding (Switzerland) AG as principal debtor under the Notes in accordance with clause (a) of Condition 16 (Issuer Substitution) of the Terms and Conditions of the Notes, (ii) the General Terms and Conditions and the Pricing Supplement are amended as set out below in accordance with clause (a)(ii) of Condition 15 (Amendment) of the Terms and Conditions of the Notes and (iii) such substitution and amendments are hereby notified to the holders of Notes in accordance with Condition 14 (Notices) of the Terms and Conditions of the Notes:**

1. Amendments to Condition 1 of the General Terms and Conditions

- (a) Condition 1 of the General Terms and Conditions is hereby amended by adding the following definitions in the appropriate alphabetical order:

"Issuer Substitution Effective Date" means 11 October 2019, which is the date on which UBS Group Funding (Switzerland) AG substituted UBS Group AG for itself as principal debtor under the Notes pursuant to and in accordance with clause (a) of Condition 16 (*Issuer Substitution*).

"Original Guarantee" means the guarantee dated as of the Issue Date (or, in the case of a Tranche of Notes that on or after the Issue Date will be consolidated and form a single Series with a previously issued Tranche of Notes, dated as of the Issue Date of such previously issued Tranche of Notes), issued by UBS Group AG for the benefit of the Holders and governed by Swiss law, pursuant to which UBS Group AG, among other things, irrevocably and unconditionally guaranteed to the Holders, pursuant to article 111 of the Swiss Code and on an unsubordinated basis corresponding *mutatis mutandis* to Condition 4 (*Status of the Notes*), the due and punctual payment of principal and interest and all other amounts due and payable under, or in respect of, the Notes upon receipt of the written request for payment of the

relevant amount, and which guarantee ceased to exist upon the Issuer Substitution Effective Date.

"UBS Group Restructuring Event" means the opening of UBS Group Restructuring Proceedings by the Swiss Resolution Authority.

"UBS Group Restructuring Proceedings" means Restructuring Proceedings with respect to UBS Group AG.

- (b) The definition of the term "Holder" in Condition 1 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Terms and Conditions of the Notes, such Notes or the Guarantee" appearing therein and replacing it with the text "the Terms and Conditions of the Notes or such Notes", and (ii) deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing therein.
- (c) The definition of the term "Indirect Holder" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing therein.
- (d) The definition of the term "Issuer" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "UBS Group Funding (Switzerland) AG" and replacing it with the text "UBS Group AG".
- (e) The definition of the term "Paying Agency Agreement" in Condition 1 of the General Terms and Conditions is hereby deleted in its entirety and replaced with the following text:

"Paying Agency Agreement" means the amended and restated paying agency agreement for Uncertificated Notes issued under the Programme dated as of 27 September 2019 and effective as of 11 October 2019 (as may be amended, supplemented or otherwise modified from time to time), among the Issuer, the Principal Paying Agent, the Calculation Agent and the other Agents from time to time party thereto, which agreement amended and restated the paying agency agreement for Uncertificated Notes issued under the Programme dated as of 10 March 2017.
- (f) The definition of the term "Pricing Supplement" in Condition 1 of the General Terms and Conditions is hereby amended by inserting the text ", as may be amended from time to time" appearing immediately before the period at the end of the first sentence thereof.
- (g) The definition of the term "Restructuring Event" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Event" appearing therein and replacing it with the text "UBS Group Restructuring Event".

- (h) The definition of the term "Restructuring Protective Measures" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing therein and replacing it with the text "UBS Group Restructuring Proceedings".
- (i) The definition of the term "Senior Debt Fiscal Agency Agreement" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text ", the Guarantor" appearing therein.
- (j) Condition 1 of the General Terms and Conditions is hereby amended by deleting the definitions of the terms "Guarantee", "Guarantor", "Guarantor Restructuring Event", "Guarantor Restructuring Proceedings", "Issuer Substitution", "Restructuring Issuer Substitution" and "Restructuring Issuer Substitution Date" appearing therein in their entirety.

2. Amendments to Condition 2 of the General Terms and Conditions

- (a) Clause (b) of Condition 2 is hereby amended by deleting the text "None of the Issuer, the Guarantor and any Holder" appearing at the beginning of the third paragraph thereof and replacing it with the text "Neither the Issuer nor any Holder".
- (b) Clause (c) of Condition 2 is hereby amended by deleting the text "the Issuer, the Guarantor, the Agents or any of their respective agents" appearing in subsection (D) of subclause (i) thereof and replacing it with the text "the Issuer or the Agents or any of their respective agents".

3. Amendments to Condition 3 of the General Terms and Conditions

Clause (a) of Condition 3 is hereby amended by deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing in the first sentence of subclause (v) thereof.

4. Amendments to Condition 5 of the General Terms and Conditions

- (a) The title of Condition 5 of the General Terms and Conditions is hereby deleted in its entirety and replaced with the following text:

"5. [RESERVED]"

- (b) Clauses (a) and (b) of Condition 5 of the General Terms and Conditions are hereby deleted in their entirety.

5. Amendments to Condition 6 of the General Terms and Conditions

Clause (d) of Condition 6 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Guarantor," appearing immediately after the text "the Issuer," in the second paragraph of

subclause (v) thereof, and (ii) deleting the text ", the Guarantor" each time it appears immediately after the text "the Issuer" in subclause (vi) thereof.

6. **Amendments to Condition 7 of the General Terms and Conditions**

Clause (b) of Condition 7 of the General Terms and Conditions is hereby amended by deleting subclause (ii) thereof in its entirety and replacing it with the following text:

"(ii) A "**Tax Event**" will have occurred if the Issuer in making any payments on the Notes (A) has paid, or will or would on the next payment date be required to pay, Additional Amounts, or (B) has paid, or will or would be required to pay, any additional Tax in respect of the Notes, in the case of each of subclauses (A) and (B) of this subclause (ii), as a result of any changes in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision thereof or any authority of or in a Tax Jurisdiction or any political subdivision thereof having the power to impose, levy, collect, withhold or assess Taxes, including, without limitation, any treaty to which a Tax Jurisdiction is a party, or any generally published application or interpretation of such laws (including, without limitation, a decision of any court or tribunal, any generally published application or interpretation of such laws by any relevant tax authority or any generally published pronouncement by any relevant tax authority), and the Issuer cannot avoid the foregoing by taking measures reasonably available to it."

7. **Amendments to Condition 8 of the General Terms and Conditions**

(a) Clause (c) of Condition 8 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Issuer and the Guarantor reserve" appearing in subclause (i) thereof and replacing it with the text "the Issuer reserves", (ii) deleting the text "and the Guarantor" appearing immediately after the text "the Issuer" in subsection (B) of subclause (i) thereof, (iii) deleting the text "and the Guarantor" appearing immediately after the text "then the Issuer" in subclause (ii) thereof, (iv) deleting the text "and the Guarantor" each time it appears in subclause (iii) thereof, and (v) deleting the text "in their sole discretion" appearing in subclause (iii) thereof and replacing it with the text "in its sole discretion".

(b) Clause (d) of Condition 8 of the General Terms and Conditions is hereby amended by deleting the text "the Issuer and the Guarantor have" appearing therein and replacing it with the text "the Issuer has".

(c) Clause (e) of Condition 8 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing therein and replacing it with the text "UBS Group Restructuring Proceedings".

8. **Amendments to Condition 9 of the General Terms and Conditions**

- (a) Clause (a) of Condition 9 of the General Terms and Conditions is hereby amended by deleting the text "(including, for the avoidance of doubt, amounts paid by the Guarantor under the Guarantee and payments by a Paying Agent)" appearing therein and replacing it with the text "(including, for the avoidance of doubt, payments by a Paying Agent)".
- (b) Clause (b) of Condition 9 of the General Terms and Conditions is hereby amended by (i) deleting the text "(including, for the avoidance of doubt, amounts paid by the Guarantor under the Guarantee and payments by a Paying Agent)" appearing therein and replacing it with the text "(including, for the avoidance of doubt, payments by a Paying Agent)", and (ii) deleting the text "or the Guarantor, as the case may be," appearing therein.
- (c) Clause (c) of Condition 9 of the General Terms and Conditions is hereby amended by deleting the text "or the Guarantor" appearing therein immediately after the text "No Additional Amounts will be payable by the Issuer".

9. **Amendments to Condition 12 of the General Terms and Conditions**

- (a) Condition 12 of the General Terms and Conditions is hereby amended by deleting clauses (a), (b), (c), (d) and (e) thereof in their entirety and replacing them with the following text:
 - "(a) the Issuer fails to pay the principal amount of, or any interest on, any Note if and when the same becomes due and payable under the Notes, and such failure continues unremedied by the Issuer for a period of 30 days; or
 - (b) the Issuer fails to observe or perform any other covenant, condition, or agreement contained in the Terms and Conditions of the Notes, and such failure continues unremedied for a period of 60 days after written notice thereof from any Holder to the Issuer; or
 - (c) any order is made by any competent court or other authority or resolution passed by the Issuer for the dissolution or winding-up of the Issuer, or for the appointment of a liquidator, receiver, administrator or manager of the Issuer or of all or a substantial part of its assets, or anything analogous occurs, in any jurisdiction, to the Issuer, other than in connection with a solvent reorganisation, reconstruction, amalgamation or merger; or
 - (d) the Issuer stops payment or is unable to, or admits to creditors generally its inability to, pay its debts as they fall due, or is adjudicated or found bankrupt or insolvent, or enters into any composition or other arrangements with its creditors generally;"
- (b) Condition 12 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Event" appearing in clause (i) in the proviso to the first sentence thereof and replacing it with the text "UBS Group Restructuring Event".

- (c) Condition 12 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing in the last sentence of the first paragraph thereof and replacing it with the text "UBS Group Restructuring Proceedings".

10. **Amendments to Condition 16 of the General Terms and Conditions**

- (a) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the text "substitute UBS Group AG or any other entity" in the first sentence thereof and replacing it with the text "substitute any entity".
- (b) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting subsection (B) of subclause (i) thereof in its entirety and replacing such subsection with the following text:

"(B) if the Substitute Issuer is not UBS Group AG, neither the Substitute Issuer nor UBS Group AG would on the next payment due under the Notes be required to pay any Additional Amounts under the Notes or under the guarantee described in subclause (iii) of this clause (a), respectively, after giving effect to such Voluntary Issuer Substitution that they would not have been required to pay if such Voluntary Issuer Substitution were not to occur;"

- (c) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by inserting the text "Original" immediately before the text "Guarantee" appearing in subclause (iii) thereof.
- (d) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting subsection (B) of subclause (vi) thereof in its entirety and replacing such subsection with the following text:

"(B) if the Substitute Issuer is not UBS Group AG, the obligations of UBS Group AG under the guarantee described in subclause (iii) of this clause (a) are its legal, valid and binding obligations, and"

- (e) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the last two paragraphs thereof and replacing them with the following text:

"Upon any Voluntary Issuer Substitution, the Current Issuer will be released from all its obligations under the Notes and, if the Substitute Issuer is UBS Group AG, the guarantee described in subclause (iii) of this clause (a) will cease to exist except to the extent described therein.

After giving effect to any Voluntary Issuer Substitution (A) references to the "Issuer" in the Notes and the Terms and Conditions of the Notes will be references to the Substitute Issuer, and (B) references to the "Tax Jurisdiction" in the Notes and the Terms and Conditions of the Notes will be read and construed as including the jurisdiction of establishment of the Substitute Issuer and, if different, the jurisdiction in which the Substitute Issuer is resident for tax purposes

instead of or in addition to (as the case may be) references to the jurisdiction of establishment of the Issuer and Switzerland."

- (f) The title of clause (b) of Condition 16 of the General Terms and Conditions is hereby deleted in its entirety and replaced with:

"(b) **[Reserved]**"

- (g) Clause (b) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the three paragraphs thereof in their entirety.

11. Amendments to Condition 17 of the General Terms and Conditions

Condition 17 of the General Terms and Conditions is hereby amended by (i) deleting the text "to any Restructuring Issuer Substitution and" appearing in the second sentence of the first paragraph thereof, and (ii) deleting the text "and the Guarantor" appearing immediately after the text "the Issuer" in the second paragraph thereof.

12. Amendments to Condition 19 of the General Terms and Conditions

Condition 19 of the General Terms and Conditions is hereby amended by (i) deleting the text "or the Guarantor" and "or the Guarantor, as applicable," as applicable, appearing immediately after each reference to "the Issuer" in the first sentence thereof, (ii) deleting the text "or the Guarantee" appearing immediately after the text "under the Notes" in the first sentence thereof, (iii) deleting "or the Guarantor, as applicable," appearing immediately after each reference to "the Issuer" in the second and third sentence thereof, and (iv) deleting the text "and the Guarantor's obligations under the Guarantee" appearing immediately after the text "the Issuer's other obligations hereunder" in clause (a) of the last sentence thereof.

13. Amendments to Condition 21 of the General Terms and Conditions

Condition 21 of the General Terms and Conditions is hereby amended by (i) deleting the text "or the Guarantor" appearing immediately after the text "the Issuer", and (ii) deleting "or the Guarantee" appearing immediately before the period at the end of such Condition.

14. Amendments to the Pricing Supplement

- (a) The title of the Pricing Supplement is deleted in its entirety and replaced with the following text:

"Pricing Supplement dated 2 November 2018 (as amended as of 11 October 2019)

UBS Group AG

**Issue of JPY 130,000,000,000 0.719 per cent. Fixed Rate/Floating Rate Senior Notes due
2024
under the
Senior Debt Programme"**

- (b) The first paragraph of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

"Terms used but not defined herein shall have the meanings assigned to such terms in, and terms defined herein shall be deemed to be defined as such for purposes of, the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018 (as such General Terms and Conditions were amended as of 11 October 2019), as supplemented by the supplements thereto dated 6 April 2018 and 26 October 2018 (collectively, the "**Base Prospectus**"). This document constitutes the Pricing Supplement of the Tranche of Notes described herein and must be read in conjunction with the Base Prospectus, which together constitute the listing prospectus with respect to the Tranche of Notes described herein for purposes of the listing rules of the SIX Swiss Exchange."

- (c) Item 1 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

1. Issuer: UBS Group AG

- (d) Item 2 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

2. Guarantor: N/A

- (e) Item 28 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

28. Form of Notes: Uncertificated Notes:

Neither the Issuer nor any Holder will at any time have the right to effect or demand the conversion of the Uncertificated Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

- B. With effect from the Effective Date, the Guarantee, by operation of the Terms and Conditions of the Notes, ceased to exist.**

Copies of the amended Terms and Conditions of the Notes and a blackline illustrating the amendments thereto being made pursuant to this Official Notice are available at UBS AG, Investment Bank, Swiss Prospectus Switzerland, P.O. Box, 8098 Zurich, Switzerland (voicemail: +41 44 239 47 03, fax +41 44 239 69 14, email: swiss-prospectus@ubs.com).

Issuer Substitution in respect of JPY 20,000,000,000 0.973 per cent. Fixed Rate/Floating Rate Senior Notes due 2028 issued by UBS Group Funding (Switzerland) AG and guaranteed by UBS Group AG

As communicated in UBS Group AG's 2018 annual report, in December 2018, the Swiss Parliament approved changes to the tax treatment of too big to fail ("**TBTF**") instruments (including instruments qualifying as (i) additional tier 1 capital (*Zusätzliches Kernkapital*) ("**AT1 Instruments**") or (ii) debt instruments for loss absorbency in the course of insolvency measures (*Schuldinstrumente zur Verlusttragung im Falle von Insolvenzmassnahmen*) ("**Bail-in Bonds**"), in each case, under the Ordinance concerning Capital Adequacy and Risk Diversification for Banks and Securities Dealers, dated 1 June 2012, as amended) issued by the holding companies of Swiss systemically important banks, such as UBS Group AG. The related new law aims to eliminate the additional tax burden imposed on systemically important banks as a result of required issuances of TBTF instruments at the holding company level. In March 2019, the Swiss Federal Council (the **Federal Council**) determined that the new law would enter into force retroactively as of 1 January 2019. Consequently, since the Federal Council determination, UBS has issued all new AT1 Instruments and Bail-in Bonds directly out of UBS Group AG. In addition, in its 2018 annual report, UBS communicated its expectation that UBS Group AG would assume all outstanding AT1 Instruments and Bail-in Bonds that are currently issued by UBS Group Funding (Switzerland) AG as a means of managing the aforementioned tax burden. UBS subsequently confirmed in its second quarter 2019 report that such AT1 Instruments and Bail-in Bonds would be so migrated to UBS Group AG during the second half of 2019.

Accordingly, UBS now intends to substitute UBS Group AG for UBS Group Funding (Switzerland) AG as issuer under all the outstanding AT1 Instruments and Bail-in Bonds (including the Notes (as defined below)) currently issued by UBS Group Funding (Switzerland) AG.

The substitution of UBS Group AG for UBS Group Funding (Switzerland) AG as issuer of the JPY 20,000,000,000 0.973 per cent. Fixed Rate/Floating Rate Senior Notes due 2028 (the **Notes**) was effected as of 11 October 2019 (the **Effective Date**). The issuer substitution was carried out pursuant to and in accordance with the voluntary issuer substitution requirements set out in clause (a) of Condition 16 (*Issuer Substitution*) of the terms and conditions of the Notes (the **Terms and Conditions of the Notes**), which consist of the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018, relating to the Senior Debt Programme (the **General Terms and Conditions**), as completed, supplemented, modified or replaced by the information in the Pricing Supplement relating to the Notes, dated 2 November 2018 (the **Pricing Supplement**). Upon completion of the issuer substitution, (i) the Notes will be issued by UBS Group AG and (ii) the guarantee issued by UBS Group AG on 9 November 2018 for the benefit of the holders of the Notes (the **Guarantee**), by operation of the Terms and Conditions of the Notes, ceased to exist.

For the avoidance of doubt, the Pricing Supplement contains information that does not form a part of the Terms and Conditions of the Notes. Such information was given only as of 2 November 2018 and is not being amended, supplemented or otherwise updated in connection with the issuer substitution described above. Such information includes (i) the information about the original issuer of the Notes, UBS Group Funding (Switzerland) AG, and UBS Group AG in its capacity as guarantor under the Guarantee set forth in items 16 and 17 of the section of the Pricing Supplement titled "PART A – CONTRACTUAL TERMS" (**Part A**), (ii) the statements set out under "Representative", "No Material Change Statement" and "Responsibility" in Part A, and (iii) with the exception of the information below given for purposes of compliance with the listing rules of the SIX Swiss Exchange, the information set forth in the section of the Pricing Supplement titled "PART B – OTHER INFORMATION" thereof.

After giving effect to the issuer substitution and amendments to the Terms and Conditions of the Notes described herein, the Ticker-Symbol, the ISIN, the Common Code and the Swiss Security Number for the Notes, as well as the web address and the auditors of UBS Group AG, remain unchanged.

A. With effect from the Effective Date, (i) UBS Group AG is substituted for UBS Group Funding (Switzerland) AG as principal debtor under the Notes in accordance with clause (a) of Condition 16 (*Issuer Substitution*) of the Terms and Conditions of the Notes, (ii) the General Terms and Conditions and the Pricing Supplement are amended as set out below in accordance with clause (a)(ii) of Condition 15 (*Amendment*) of the Terms and Conditions of the Notes and (iii) such substitution and amendments are hereby notified to the holders of Notes in accordance with Condition 14 (*Notices*) of the Terms and Conditions of the Notes:

1. Amendments to Condition 1 of the General Terms and Conditions

(a) Condition 1 of the General Terms and Conditions is hereby amended by adding the following definitions in the appropriate alphabetical order:

"Issuer Substitution Effective Date" means 11 October 2019, which is the date on which UBS Group Funding (Switzerland) AG substituted UBS Group AG for itself as principal debtor under the Notes pursuant to and in accordance with clause (a) of Condition 16 (*Issuer Substitution*).

"Original Guarantee" means the guarantee dated as of the Issue Date (or, in the case of a Tranche of Notes that on or after the Issue Date will be consolidated and form a single Series with a previously issued Tranche of Notes, dated as of the Issue Date of such previously issued Tranche of Notes), issued by UBS Group AG for the benefit of the Holders and governed by Swiss law, pursuant to which UBS Group AG, among other things, irrevocably and unconditionally guaranteed to the Holders, pursuant to article 111 of the Swiss Code and on an unsubordinated basis corresponding *mutatis mutandis* to Condition 4 (*Status of the Notes*), the due and punctual payment of principal and interest and all other amounts due and payable

under, or in respect of, the Notes upon receipt of the written request for payment of the relevant amount, and which guarantee ceased to exist upon the Issuer Substitution Effective Date.

"UBS Group Restructuring Event" means the opening of UBS Group Restructuring Proceedings by the Swiss Resolution Authority.

"UBS Group Restructuring Proceedings" means Restructuring Proceedings with respect to UBS Group AG.

- (b) The definition of the term "Holder" in Condition 1 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Terms and Conditions of the Notes, such Notes or the Guarantee" appearing therein and replacing it with the text "the Terms and Conditions of the Notes or such Notes", and (ii) deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing therein.
- (c) The definition of the term "Indirect Holder" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing therein.
- (d) The definition of the term "Issuer" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "UBS Group Funding (Switzerland) AG" and replacing it with the text "UBS Group AG".
- (e) The definition of the term "Paying Agency Agreement" in Condition 1 of the General Terms and Conditions is hereby deleted in its entirety and replaced with the following text:

"Paying Agency Agreement" means the amended and restated paying agency agreement for Uncertificated Notes issued under the Programme dated as of 27 September 2019 and effective as of 11 October 2019 (as may be amended, supplemented or otherwise modified from time to time), among the Issuer, the Principal Paying Agent, the Calculation Agent and the other Agents from time to time party thereto, which agreement amended and restated the paying agency agreement for Uncertificated Notes issued under the Programme dated as of 10 March 2017.
- (f) The definition of the term "Pricing Supplement" in Condition 1 of the General Terms and Conditions is hereby amended by inserting the text ", as may be amended from time to time" appearing immediately before the period at the end of the first sentence thereof.
- (g) The definition of the term "Restructuring Event" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Event" appearing therein and replacing it with the text "UBS Group Restructuring Event".

- (h) The definition of the term "Restructuring Protective Measures" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing therein and replacing it with the text "UBS Group Restructuring Proceedings".
- (i) The definition of the term "Senior Debt Fiscal Agency Agreement" in Condition 1 of the General Terms and Conditions is hereby amended by deleting the text ", the Guarantor" appearing therein.
- (j) Condition 1 of the General Terms and Conditions is hereby amended by deleting the definitions of the terms "Guarantee", "Guarantor", "Guarantor Restructuring Event", "Guarantor Restructuring Proceedings", "Issuer Substitution", "Restructuring Issuer Substitution" and "Restructuring Issuer Substitution Date" appearing therein in their entirety.

2. Amendments to Condition 2 of the General Terms and Conditions

- (a) Clause (b) of Condition 2 is hereby amended by deleting the text "None of the Issuer, the Guarantor and any Holder" appearing at the beginning of the third paragraph thereof and replacing it with the text "Neither the Issuer nor any Holder".
- (b) Clause (c) of Condition 2 is hereby amended by deleting the text "the Issuer, the Guarantor, the Agents or any of their respective agents" appearing in subsection (D) of subclause (i) thereof and replacing it with the text "the Issuer or the Agents or any of their respective agents".

3. Amendments to Condition 3 of the General Terms and Conditions

Clause (a) of Condition 3 is hereby amended by deleting the text "or the Guarantor" and "or the Guarantee, respectively" appearing in the first sentence of subclause (v) thereof.

4. Amendments to Condition 5 of the General Terms and Conditions

- (a) The title of Condition 5 of the General Terms and Conditions is hereby deleted in its entirety and replaced with the following text:

"5. [RESERVED]"

- (b) Clauses (a) and (b) of Condition 5 of the General Terms and Conditions are hereby deleted in their entirety.

5. Amendments to Condition 6 of the General Terms and Conditions

Clause (d) of Condition 6 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Guarantor," appearing immediately after the text "the Issuer," in the second paragraph of

subclause (v) thereof, and (ii) deleting the text ", the Guarantor" each time it appears immediately after the text "the Issuer" in subclause (vi) thereof.

6. **Amendments to Condition 7 of the General Terms and Conditions**

Clause (b) of Condition 7 of the General Terms and Conditions is hereby amended by deleting subclause (ii) thereof in its entirety and replacing it with the following text:

"(ii) A "**Tax Event**" will have occurred if the Issuer in making any payments on the Notes (A) has paid, or will or would on the next payment date be required to pay, Additional Amounts, or (B) has paid, or will or would be required to pay, any additional Tax in respect of the Notes, in the case of each of subclauses (A) and (B) of this subclause (ii), as a result of any changes in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision thereof or any authority of or in a Tax Jurisdiction or any political subdivision thereof having the power to impose, levy, collect, withhold or assess Taxes, including, without limitation, any treaty to which a Tax Jurisdiction is a party, or any generally published application or interpretation of such laws (including, without limitation, a decision of any court or tribunal, any generally published application or interpretation of such laws by any relevant tax authority or any generally published pronouncement by any relevant tax authority), and the Issuer cannot avoid the foregoing by taking measures reasonably available to it."

7. **Amendments to Condition 8 of the General Terms and Conditions**

(a) Clause (c) of Condition 8 of the General Terms and Conditions is hereby amended by (i) deleting the text "the Issuer and the Guarantor reserve" appearing in subclause (i) thereof and replacing it with the text "the Issuer reserves", (ii) deleting the text "and the Guarantor" appearing immediately after the text "the Issuer" in subsection (B) of subclause (i) thereof, (iii) deleting the text "and the Guarantor" appearing immediately after the text "then the Issuer" in subclause (ii) thereof, (iv) deleting the text "and the Guarantor" each time it appears in subclause (iii) thereof, and (v) deleting the text "in their sole discretion" appearing in subclause (iii) thereof and replacing it with the text "in its sole discretion".

(b) Clause (d) of Condition 8 of the General Terms and Conditions is hereby amended by deleting the text "the Issuer and the Guarantor have" appearing therein and replacing it with the text "the Issuer has".

(c) Clause (e) of Condition 8 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing therein and replacing it with the text "UBS Group Restructuring Proceedings".

8. **Amendments to Condition 9 of the General Terms and Conditions**

- (a) Clause (a) of Condition 9 of the General Terms and Conditions is hereby amended by deleting the text "(including, for the avoidance of doubt, amounts paid by the Guarantor under the Guarantee and payments by a Paying Agent)" appearing therein and replacing it with the text "(including, for the avoidance of doubt, payments by a Paying Agent)".
- (b) Clause (b) of Condition 9 of the General Terms and Conditions is hereby amended by (i) deleting the text "(including, for the avoidance of doubt, amounts paid by the Guarantor under the Guarantee and payments by a Paying Agent)" appearing therein and replacing it with the text "(including, for the avoidance of doubt, payments by a Paying Agent)", and (ii) deleting the text "or the Guarantor, as the case may be," appearing therein.
- (c) Clause (c) of Condition 9 of the General Terms and Conditions is hereby amended by deleting the text "or the Guarantor" appearing therein immediately after the text "No Additional Amounts will be payable by the Issuer".

9. **Amendments to Condition 12 of the General Terms and Conditions**

- (a) Condition 12 of the General Terms and Conditions is hereby amended by deleting clauses (a), (b), (c), (d) and (e) thereof in their entirety and replacing them with the following text:
 - "(a) the Issuer fails to pay the principal amount of, or any interest on, any Note if and when the same becomes due and payable under the Notes, and such failure continues unremedied by the Issuer for a period of 30 days; or
 - (b) the Issuer fails to observe or perform any other covenant, condition, or agreement contained in the Terms and Conditions of the Notes, and such failure continues unremedied for a period of 60 days after written notice thereof from any Holder to the Issuer; or
 - (c) any order is made by any competent court or other authority or resolution passed by the Issuer for the dissolution or winding-up of the Issuer, or for the appointment of a liquidator, receiver, administrator or manager of the Issuer or of all or a substantial part of its assets, or anything analogous occurs, in any jurisdiction, to the Issuer, other than in connection with a solvent reorganisation, reconstruction, amalgamation or merger; or
 - (d) the Issuer stops payment or is unable to, or admits to creditors generally its inability to, pay its debts as they fall due, or is adjudicated or found bankrupt or insolvent, or enters into any composition or other arrangements with its creditors generally;"
- (b) Condition 12 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Event" appearing in clause (i) in the proviso to the first sentence thereof and replacing it with the text "UBS Group Restructuring Event".

- (c) Condition 12 of the General Terms and Conditions is hereby amended by deleting the text "Guarantor Restructuring Proceedings" appearing in the last sentence of the first paragraph thereof and replacing it with the text "UBS Group Restructuring Proceedings".

10. **Amendments to Condition 16 of the General Terms and Conditions**

- (a) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the text "substitute UBS Group AG or any other entity" in the first sentence thereof and replacing it with the text "substitute any entity".
- (b) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting subsection (B) of subclause (i) thereof in its entirety and replacing such subsection with the following text:

"(B) if the Substitute Issuer is not UBS Group AG, neither the Substitute Issuer nor UBS Group AG would on the next payment due under the Notes be required to pay any Additional Amounts under the Notes or under the guarantee described in subclause (iii) of this clause (a), respectively, after giving effect to such Voluntary Issuer Substitution that they would not have been required to pay if such Voluntary Issuer Substitution were not to occur;"

- (c) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by inserting the text "Original" immediately before the text "Guarantee" appearing in subclause (iii) thereof.
- (d) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting subsection (B) of subclause (vi) thereof in its entirety and replacing such subsection with the following text:

"(B) if the Substitute Issuer is not UBS Group AG, the obligations of UBS Group AG under the guarantee described in subclause (iii) of this clause (a) are its legal, valid and binding obligations, and"

- (e) Clause (a) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the last two paragraphs thereof and replacing them with the following text:

"Upon any Voluntary Issuer Substitution, the Current Issuer will be released from all its obligations under the Notes and, if the Substitute Issuer is UBS Group AG, the guarantee described in subclause (iii) of this clause (a) will cease to exist except to the extent described therein.

After giving effect to any Voluntary Issuer Substitution (A) references to the "Issuer" in the Notes and the Terms and Conditions of the Notes will be references to the Substitute Issuer, and (B) references to the "Tax Jurisdiction" in the Notes and the Terms and Conditions of the Notes will be read and construed as including the jurisdiction of establishment of the Substitute Issuer and, if different, the jurisdiction in which the Substitute Issuer is resident for tax purposes

instead of or in addition to (as the case may be) references to the jurisdiction of establishment of the Issuer and Switzerland."

- (f) The title of clause (b) of Condition 16 of the General Terms and Conditions is hereby deleted in its entirety and replaced with:

"(b) **[Reserved]**"

- (g) Clause (b) of Condition 16 of the General Terms and Conditions is hereby amended by deleting the three paragraphs thereof in their entirety.

11. Amendments to Condition 17 of the General Terms and Conditions

Condition 17 of the General Terms and Conditions is hereby amended by (i) deleting the text "to any Restructuring Issuer Substitution and" appearing in the second sentence of the first paragraph thereof, and (ii) deleting the text "and the Guarantor" appearing immediately after the text "the Issuer" in the second paragraph thereof.

12. Amendments to Condition 19 of the General Terms and Conditions

Condition 19 of the General Terms and Conditions is hereby amended by (i) deleting the text "or the Guarantor" and "or the Guarantor, as applicable," as applicable, appearing immediately after each reference to "the Issuer" in the first sentence thereof, (ii) deleting the text "or the Guarantee" appearing immediately after the text "under the Notes" in the first sentence thereof, (iii) deleting "or the Guarantor, as applicable," appearing immediately after each reference to "the Issuer" in the second and third sentence thereof, and (iv) deleting the text "and the Guarantor's obligations under the Guarantee" appearing immediately after the text "the Issuer's other obligations hereunder" in clause (a) of the last sentence thereof.

13. Amendments to Condition 21 of the General Terms and Conditions

Condition 21 of the General Terms and Conditions is hereby amended by (i) deleting the text "or the Guarantor" appearing immediately after the text "the Issuer", and (ii) deleting "or the Guarantee" appearing immediately before the period at the end of such Condition.

14. Amendments to the Pricing Supplement

- (a) The title of the Pricing Supplement is deleted in its entirety and replaced with the following text:

"Pricing Supplement dated 2 November 2018 (as amended as of 11 October 2019)

UBS Group AG

**Issue of JPY 20,000,000,000 0.973 per cent. Fixed Rate/Floating Rate Senior Notes due 2028
under the
Senior Debt Programme"**

- (b) The first paragraph of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

"Terms used but not defined herein shall have the meanings assigned to such terms in, and terms defined herein shall be deemed to be defined as such for purposes of, the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018 (as such General Terms and Conditions were amended as of 11 October 2019), as supplemented by the supplements thereto dated 6 April 2018 and 26 October 2018 (collectively, the "**Base Prospectus**"). This document constitutes the Pricing Supplement of the Tranche of Notes described herein and must be read in conjunction with the Base Prospectus, which together constitute the listing prospectus with respect to the Tranche of Notes described herein for purposes of the listing rules of the SIX Swiss Exchange."

- (c) Item 1 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

3. Issuer: UBS Group AG

- (d) Item 2 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

4. Guarantor: N/A

- (e) Item 28 of Part A of the Pricing Supplement is hereby deleted in its entirety and replaced with the following text:

29. Form of Notes: Uncertificated Notes:

Neither the Issuer nor any Holder will at any time have the right to effect or demand the conversion of the Uncertificated Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

- B. With effect from the Effective Date, the Guarantee, by operation of the Terms and Conditions of the Notes, ceased to exist.**

Copies of the amended Terms and Conditions of the Notes and a blackline illustrating the amendments thereto being made pursuant to this Official Notice are available at UBS AG, Investment Bank, Swiss Prospectus Switzerland, P.O. Box, 8098 Zurich, Switzerland (voicemail: +41 44 239 47 03, fax +41 44 239 69 14, email: swiss-prospectus@ubs.com).