

ZKB Tracker Certificate Dynamic on a Basket

22.02.2013 - Open End | Swiss Security Code 10 716 771

New Issue

Product Category/Name

1. Product Description

Participation Product/Tracker Certificate (1300, according to the "Swiss Derivative Map" provided by the Swiss Structured Products Association)

CISA Notification

These products constitute Structured Products in Switzerland. They do not constitute collective investment schemes in the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA). They are not subject to an authorisation or supervision by the FINMA and investors do not benefit from protection under the CISA.

Title Universe

The Title Universe consists of ...

Rebalancing

The Investment Manager ...

Rebalancing Date

Rebalancings of the present product take place quarterly according to the calendar year. The actual portfolio regroupings are carried out during the subsequent two weeks.

Issuer

Zürcher Kantonalbank, Zurich

Rating of the Issuer

For Products issued by Zürcher Kantonalbank: Standard & Poor's AAA, Moody's Aaa, Fitch AAA

Lead Manager, Paying Agent, Exercise Agent and Calculation Agent

Zürcher Kantonalbank, Zurich

Investment Manager

Zürcher Kantonalbank

Symbol/ Swiss Security Code/ISIN

D1FINA/
10 716 771/CH0107167717

Notional Amount/Denomination/Trading Units

CHF 10'000'000.00/CHF 100.00/1 Structured Product or multiples thereof

Number of Structured Products

Up to 100'000, with the right to increase

Issue Price

CHF 100.00 / 100.00% of Basket Value on the Initial Fixing Date

Currency

CHF

Underlying per Initial Fixing Date	Component	ISIN/Bloomberg	Related Exchange	Currency / Initial Fixing Value	Weight in %	No. of Shares
	Bâloise-Holding AG	CH0012410517/ BALN VX	SIX Swiss Exchange	82.15	9.43	0.114790
	Helvetia Holding Ltd	CH0012271687/ HELN SW	SIX Swiss Exchange	370.50	7.80	0.021053
	Pargesa Holding SA	CH0021783391/ PARG SW	SIX Swiss Exchange	66.50	8.28	0.124511
	Partners Group Holding AG	CH0024608827/ PGHN VX	SIX Swiss Exchange	9.05	9.05	0.042468
	PSP Swiss Property AG	CH0018294154/ PSPN SW	SIX Swiss Exchange	85.60	8.44	0.098598
	Swiss Life Holding AG	CH0014852781/ SLHN VX	SIX Swiss Exchange	145.60	9.65	0.066277
	Swiss Prime Site AG	CH0008038389/ SPSN SW	SIX Swiss Exchange	74.85	9.68	0.130907
	Swiss Re Ltd	CH0126881561/ SREN VX	SIX Swiss Exchange	72.90	17.64	0.264010
	Zurich Insurance Group AG	CH0011075394/ ZURN VX	SIX Swiss Exchange	259.20	20.02	0.077238

* Local taxes, transactions fees and foreign commissions are, if applicable, included in the Initial Fixing Value of each component and are thus borne by the holders of the Structured Product. This applies particularly, though not exclusively, when exercising rights associated with the Structured Product and/or a Rebalancing.

The terms and conditions of the present product have been adjusted due to Corporate Actions, refer to table Corporate Actions.

Basket Value	CHF 100.00 on Initial Fixing Date
Ratio	1 ZKB Tracker Certificate Dynamic represents 1 Underlying
Dividend Payments	No dividends will be paid out. The dividend as a whole will be reinvested into the Structured Product in the form of a net dividend. The effective dividend payment or the estimation according to the Bloomberg consensus will get wholly (less non-reclaimable taxes) reinvested in the corresponding components of the Underlying.
Initial Fixing Date	15 February 2013
Settlement Date	22 February 2013
Early Redemption Right of the Issuer	The Issuer has the right to call the Structured Product for Early Redemption each year per 12 December (Exercise Date) which has to be announced at least 20 banking days in advance without any reasons (for the first time per 12 December 2013, modified following). The information to the holder of the Structured Product will be published by the SIX Swiss Exchange.
Initial Fixing Level	Closing prices of the components of the Underlying on Related Exchanges, on 15 February 2013
Redemption Method	On Exercise Date, investors receive in cash for every certificate 100% of the Underlying as defined on the Final Fixing Date and according to the following formula: $\sum_{i=1}^N S_{i,T} \times W_{i,T} - \text{Fees}$ <p>where</p> <p>$S_{i,T}$ = Value of the component of the underlying i on Redemption</p> <p>$W_{i,T}$ = Weighting of the component of the underlying i (number of Shares) on Redemption</p> <p>Fees = Annual Fee</p> <p>T = Redemption</p> <p>If capital events that were unknown at the time of issue take place during the life of the ZKB Tracker Certificate Dynamic, they shall be taken into account by adjusting the weighting of the affected component of the Underlying accordingly.</p>

Listing/Secondary Market and Bid-Ask Spread	Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 22 February 2013/The Issuer will aim to provide under normal market conditions a secondary market with a Bid-Ask Spread of 0.25%.		
Annual Fee/Total Expense Ratio (TER)	0.18% p.a. The Annual Fee will be charged based on the value of the Structured Product and is pro rata temporis included in the trading price./Total Expense Ratio: A TER - in the sense implied by the definition of the Swiss Fund Association - of 0.18% p.a. is pursued.		
Clearing House	SIX SIS AG/Euroclear/Clearstream		
Sales: 044 293 66 65	SIX Telekurs: 85,ZKB Internet: www.zkb.ch/strukturierteprodukte	Reuters: ZKBSTRUCT Bloomberg: ZKBY <go>	
Key Elements of the Product	In terms of value, buying a ZKB Tracker Certificate Dynamic is equivalent to buying the Underlying basket less any Fees. A single, low-cost transaction gives investors the opportunity to participate fully in the performance of the basket. Dividend Payments of stocks in the basket are paid out to the investor by means of Dividend reinvestment in the basket. Redemption is based on the weighted value of the stocks in the basket on the Exercise Date.		
Taxes	<p>The Issuer reports the taxable factors (change to previous year's value) divided in the components income and capital gain to the Swiss Federal Tax Administration on 31 October** each year. The income part is subject to Swiss income tax for private investors with Swiss tax domicile as per reporting date. The capital gain part is not subject to Swiss income tax.</p> <p>The product is not subject to Swiss withholding tax. The Federal securities transfer stamp tax is not levied on secondary market transactions. For Swiss paying agents this product is not subject to the EU taxation of savings income (SIX Telekurs EU-Tax classification code: 9, "out of scope").</p> <p>The information above is a summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of Structured Products. The relevant tax law and practice may change. The Issuer does not assume any liability in connection with the above information. The tax information only provides a general overview and can not substitute the personal tax advice to the investor.</p>		
Documentation	This document constitutes the Final Terms in accordance to article 21 of the Additional Rules for the Listing of Derivatives of the SIX Swiss Exchange. These Final Terms supplement the Issuance Programme of the Issuer dated 12 April 2012 and published in German in the currently valid version. These Final Terms and the Issuance Programme constitute the complete Issuance and Listing Prospectus for this issuance (the 'Listing Prospectus'). Except as otherwise defined in these Final Terms, capitalised terms used in these Final Terms have the meaning as defined in the Glossary in the Issuance Programme. In case of discrepancies between information or the provisions in these Final Terms and those in the Issuance Programme, the information and provisions in these Final Terms shall prevail. Structured Products will be issued as uncertified rights (Wertrechte) and registered as book entry securities (Bucheffekten) with SIX SIS AG. Investors have no right to require the issuance of any certificates or proves of evidence for the Structured Products. These Final Terms and the Issuance Programme can be ordered free of charge at Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, dept. IFDS or by e-mail at documentation@zkb.ch . This document is not a prospectus in accordance with articles 652a or 1156 of the Swiss Code of Obligations.		
Information on the Underlying	Information on the performance of the Underlying / a component of the Underlying is publicly available on www.bloomberg.com . Current annual reports are published on the website of the respective business entity. The transfer of the Underlying / a component of the Underlying is conducted in accordance with their respective statutes.		
Notices	Any notice by the Issuer in connection with these Structured Products, in particular any notice in connection with modifications of the terms and conditions will be validly published on the website http://zkb.is-teledata.ch/html/boersenMaerkte/marktUebersicht/schweiz/index.html under the relevant Structured Product. The Swiss security code search button will lead you directly to the relevant Structured Product. If the product is listed on SIX Swiss Exchange, the notices will also be published in accordance with the rules issued by SIX Swiss Exchange for IBL (Internet Based Listing) on the website http://www.six-exchange-regulation.com/publications/published_notifications/official_notices_de.html		
Governing Law/Jurisdiction	Swiss Law/Zurich 1		

2. Profit and Loss Expectations after Year 1

Profit and Loss Expectations after Year 1

ZKB Tracker Certificate Dynamic

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate Dynamic	Performance %
CHF 40.00	-60.00%	CHF 39.93	-60.07%
CHF 60.00	-40.00%	CHF 59.89	-40.11%
CHF 80.00	-20.00%	CHF 79.86	-20.14%
CHF 100.00	+0.00%	CHF 99.82	-0.18%
CHF 120.00	+20.00%	CHF 119.78	19.78%
CHF 140.00	+40.00%	CHF 139.75	39.75%
CHF 160.00	+60.00%	CHF 159.71	59.71%

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate Dynamic is analog to the performance of the Underlying less any Fees. No Issue Surcharges are included in the table above.

The figures in the table above are valid after Year 1 only and cannot be considered as a price indication for the present Structured Product during its lifetime. The price quoted in the secondary market can differ substantially from the table above.

3. Material Risks for Investors

Credit Risk Relating to Issuer

Obligations under these Structured Products constitute direct, unconditional and unsecured obligations of the Issuer and rank pari passu with other direct, unconditional and unsecured obligations of the Issuer. The value of the Structured Product does not only depend on the performance of the Underlying and other developments in the financial markets, but also on the solvency of the Issuer, which may change during the term of this Structured Product.

Specific Product Risks

Structured products are complex financial instruments, which entail considerable risks and, accordingly, are only suitable for investors who have the requisite knowledge and experience and understand thoroughly the risks connected with an investment in these structured products and are capable of bearing the economic risks.

ZKB Tracker Certificate Dynamic is an investment product whose price fluctuates to the same degree as the Underlying less any Fees. Depending on price trends, the price of a ZKB Tracker Certificate Dynamic could fall below the Issue Price. The risk profile of the ZKB Tracker Certificate Dynamic corresponds exactly to that of the Underlying. The ZKB Tracker Certificate Dynamic is denominated in CHF. If the investor's reference currency differs from the CHF, the investor bears the risk between the CHF and his reference currency.

4. Additional Terms

Modifications

If an Extraordinary Event as described in Section IV of the Issuance Programme occurs in relation to the Underlying/a component of the Underlying or if any other extraordinary event (force majeure) occurs, which makes it impossible or particularly cumbersome for the Issuer, to fulfill its obligations under the Structured Products or to calculate the value of the Structured Products, the Issuer shall at its own discretion take all the necessary actions and, if necessary may modify the terms and conditions of these Structured Products at its own discretion in such way, that the economic value of the Structured Products after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the Structured Products prior to the occurrence of the extraordinary event. Specific modification rules for certain types of Underlyings stated in Section IV of the Issuance Programme shall prevail. If the Issuer determines, for whatever reason, that an adequate modification is not possible, the Issuer has the right to redeem the Structured Products early.

Market Disruptions

Compare specific provisions in the Issuance Programme.

Selling Restrictions

The selling restrictions contained in the Issuance Programme are applicable (EEA, U.S.A./U.S. persons, Guernsey).

In particular must this publication and the information contained within not be distributed and / or redistributed, used or relied upon, by any person (whether individual or entity) who may be a US person under Regulation S under the US Securities Act of 1933. US persons include any US resident; any corporation, company, partnership or other entity organized under any law of the United States; and other categories set out in Regulation S.

The Issuer has not undertaken any actions to permit the public offering of the Structured Products or the possession or the distribution of any document produced in connection with the issuance of the Structured Products in any jurisdiction other than Switzerland. The distribution of these Final Terms or other documents produced in connection with the issuance of the Structured Products and the offering, sale and delivery of the Structured Products in certain jurisdictions may be restricted by law. Persons, which have received these Final Terms or any other documents produced in connection with the issuance of the Structured Products, such as the Issuance Programme, Termsheets, marketing or other selling material, are required by the Issuer to inform themselves about and to observe any such restrictions.

Prudential Supervision

Zürcher Kantonalbank is a bank according to the Swiss Federal Act on Banks and Saving Institutions (BankG; SR 952.0) and a securities dealer according to the Swiss Federal Act on Securities Exchanges and Securities Trading (BEHG; SR 954.1) and subject to the prudential supervision of the FINMA, Einsteinstrasse 2, CH-3003 Bern, <http://www.finma.ch>.

Recording of Telephone Conversations

Investors are reminded, that telephone conversations with trading or sales units of the Zürcher Kantonalbank are recorded. Investors, who have telephone conversations with these units consent tacitly to the recording.

Zurich, 31 January 2013. Last update on 5 September 2017

****Change per 4 September 2017:**

old: 15 December

new: 31 October

Corporate Actions

Date	Underlying	Action	No. of Shares old	No. of Shares new
12.04.2013	Swiss Re Ltd	On 10 April 2013, the annual general meeting of the company Swiss Re AG will decide to pay an additional dividend of CHF 4.00 per share besides the regular dividend of CHF 3.50 per share.	0.241975	0.255335
23.04.2015	Swiss Re Ltd	Special Dividend on 23.04.2015	No. of Shares old 0.255335	No. of Shares new 0.264010
20.05.2015	Swiss Prime Site AG	Capital Increase on 20.05.2015	No. of Shares old 0.129325	No. of Shares new 0.130907
03.05.2017	Partners Group Holding AG	Change of Identification on 03.05.2017	BB Symbol old PGHN SW	BB Symbol new PGHN VX