

## VONCERT OPEN END on the Solactive® European Good Banks Performance-Index

### PRODUCT DESCRIPTION

As tracker certificates, VONCERT Open End provide the opportunity to participate in an underlying instrument's performance in a transparent way and with a single transaction. The potential yield is comparable to that of the underlying instrument.

#### Product Information

Issuer	Vontobel Financial Products Ltd., DIFC Dubai
Guarantor	Vontobel Holding AG, Zürich (Standard & Poor's A; Moody's A2)
Lead Manager	Bank Vontobel AG, Zürich
Paying, exercise and calculation agent	Bank Vontobel AG, Zürich
SSPA product type	Tracker Certificate (1300), see also www.svsp-verband.ch
Underlying	Solactive® European Good Banks Performance-Index (further details on the underlying see below)
Underlyings per VONCERT	1
Issue price	EUR 101.50 (EUR 1.50 front-load fee included)
Reference price of the certificate	EUR 100.00
Initial fixing	April 23, 2010, Closing price
Payment date	April 30, 2010
Maturity	Open End
Reference Currency	EUR; Issue, trading and redemption will follow in the reference currency
Swiss Security Number / ISIN / TK Symbol	11181615 / CH0111816150 / VZGBE
Redemption amount	The redemption amount corresponds to the closing price of the index as determined at the place of determination on the final fixing date resp. termination date and multiplied by the number of underlyings per VONCERT Open End less the management fee: Redemption amount = Index closing price * (1 – management fee) <sup>t</sup> * Underlyings per VONCERT Open End where: - t corresponds to the number of years since payment date (effective/360)
Management Fee	1.2% p.a. Management fee (deducted from the value of the certificate pro rata on a daily basis)

#### Further Information

Issue size	300'000 VONCERT Open End, the size may be increased
Issuer's call right	The issuer shall be entitled to call all outstanding VONCERTs Open End quarterly, at the last bank working day of each trimester (first time in June 2010) for the purpose of early repayment ("Redemption Date") without giving any indication of reasons. Appropriate notification is to be published at least one month in advance.  In this event, the term of the VONCERT Open End shall end early. In the event of a termination, the redemption amount shall be established on the relevant termination date. The redemption shall be made within five banking days of the termination date.  If adjustments are planned or have already been made to the index which are, to the issuer's mind, such that a continuation of the VONCERT Open End does not seem appropriate, the issuer shall also have the right to terminate the VONCERT Open End at any time and without notice period as of a date it sets.  The relevant notification must be published as soon as possible, stating the termination date authoritative for calculating the redemption amount.
Investor's redemption right	In addition to having the option of selling the VONCERTs Open End within the respective trading times on or off the floor, the investor has the right to exercise his VONCERTs Open End quarterly, at the last bank working day of each trimester (first time in March 2011). The exercise declaration must be submitted to the calculation agent no later than five banking days before the exercise date.
Clearing / Settlement	SIX SIS AG

Listing	Will be applied for in the main segment at the SIX Swiss Exchange
Secondary market trading	Throughout the entire term a secondary trading is conducted. Indicative daily prices of this product are available at <a href="http://www.derinet.ch">www.derinet.ch</a> .
Minimum investment	1 VONCERT
Minimum trading lot	1 VONCERT
Tax treatment in Switzerland	For natural persons resident in Switzerland, any capital growth represents a capital gain and is in principle not subject to Swiss income tax. Neither withholding tax nor the stamp duty at issuance is imposed. Secondary market transactions are not subject to the Swiss securities transfer tax. For Swiss paying agents this product is not subject to the EU tax on interest. (TK9). The above taxation is a non-binding summary of the tax implications applicable to private investors resident in Switzerland. The specific situation of the investor has, however, not been considered for the summary; furthermore, tax legislation and tax-administration practices may change at any time. Potential investors should have the tax effects of the purchase, holding, sale or repayment of this product examined by their own tax adviser - especially with respect to the effects of taxation under another jurisdiction.
Title	The Structured Products are issued in the form of non-certificated book-entry securities of the issuer. No certificates, no printing of bonds.
Applicable Law / Jurisdiction	Swiss law / Zürich 1, Switzerland
Prudential supervision	As a bank, Bank Vontobel AG is subject to the supervision of individual banks, while Vontobel Holding AG and Vontobel Financial Products Ltd. as group member companies are subject to complementary, consolidated group supervision by the Federal Financial Markets Regulator FINMA (FINMA). Vontobel Financial Products Ltd is registered in the register of the Dubai International Finance Centre as a non-regulated company.
Description of the underlying Solactive® European Good Banks Performance-Index	The Solactive® European Good Banks Performance-Index is owned by Structured Solutions AG which calculates it. It is distributed by Boerse Stuttgart AG. It maps the price performance of European banks, who have a low Credit Default Swap Rate. Index Type: Performance index Index Currency: EUR; one index point corresponds to EUR 1.00 Place of determination: Structured Solutions AG – Bettinastr. 30 - 60325 Frankfurt am Main – Deutschland Identification: ISIN: DE000A1DKKN1 / Bloomberg < SOLGBI Index> Performance: Available at <a href="http://www.bloomberg.com">www.bloomberg.com</a> Index calculation details: Available at <a href="http://www.boerse-stuttgart.de">www.boerse-stuttgart.de</a> Index calculation adjustments: Available at <a href="http://www.boerse-stuttgart.de">www.boerse-stuttgart.de</a>

## PROSPECTS OF PROFIT AND LOSSES

VONCERT Open End are tracker certificates which allow participating in an underlying instrument's performance in a transparent way and with a single transaction.

Any potential profit consists of the positive difference between the sales price achieved, i.e. the redemption price, and the purchase price. VONCERT Open End do not provide ongoing revenues. The value of the VONCERT Open End during their term is significantly influenced by the price development and the volatility of the underlying instrument and the respective remaining term.

A loss is made if the VONCERT Open End are sold or redeemed at a lower rate than the purchase price paid.

Such a loss scenario can arise if the underlying instrument develops negatively due to value-determining factors, such as interest rate developments and changes to the rating or creditworthiness of basket components. Therefore, the price of the VONCERT Open End may fall significantly below the issue price/purchase price during the term and/or on maturity, which results in a corresponding loss. VONCERT Open End have no capital protection. The maximum loss can lead to a loss of the capital invested.

## SIGNIFICANT RISKS FOR INVESTORS

### Currency risks

If the underlying or underlyings is/are denominated in a currency other than the product's reference currency, investors should bear in mind that this may involve risks due to fluctuating exchange rates and that the risk of loss does not only depend on the performance of the underlying(s) but also on any unfavourable performance of the other currency or currencies. This does not apply for currency-hedged products (quanto structure).

### 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 structured 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 structured products. Such occurrences can have an effect on the time of redemption and/or on the value of the structured products.

**Secondary market risks**

Under normal market conditions, the issuer or the lead manager intend to post bid- and ask-prices on a regular basis. However, neither the issuer nor the lead manager is under any obligation with respect to investors to provide such bid- and ask-prices for specific order or securities volumes, and there is no guarantee of a specific liquidity or of a specific spread (i.e. the difference between bid- and ask-prices), for which reason investors cannot rely on being able to purchase or sell the structured products on a specific date or at a specific price.

**Issuer risk**

The value of structured products may depend not only on the performance of the underlying(s), but also on the creditworthiness of the issuer/guarantor, which may change during the term of the structured product. The investor is exposed to the risk of default of the issuer/guarantor. For further information on the rating of Vontobel Holding AG or Bank Vontobel AG, please see the issuance programme.

**Publication of notifications**

All notifications to investors concerning the products and adjustments to the product terms (e.g. due to corporate actions) are published at [www.derinet.ch](http://www.derinet.ch), and, in the case of products listed on the SIX Swiss Exchange in accordance with the valid provisions at [www.six-swiss-exchange.com](http://www.six-swiss-exchange.com).

**Classification**

In Switzerland, these financial instruments are considered structured products. They are not collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA), and are therefore not subject to the regulations of the CISA or the supervision of the Swiss Financial Market Supervisory Authority FINMA.

**Restrictions on sales**

U.S.A., U.S. persons, UK, EEA, DIFC Dubai (UAE).

**Further risk information**

Please also note the additional risk factors and selling restrictions set out in detail in the issuance programme.

**LEGAL NOTICES****Product documentation**

The original version of the Termsheet is in German; foreign-language versions constitute non-binding translations. The issuer and/or Bank Vontobel AG is entitled to correct spelling mistakes, calculation or other obvious errors in this Termsheet and to make editorial changes, as well as to amend or supplement contradictory or incomplete provisions, without the consent of the investors.

Up until the fixing date, the product terms of the "Termsheet (Indication)" are indicative and may be adjusted. The issuer is under no obligation to issue the product. The "Termsheet (Final Terms)" contains a summary of the most important final terms and information, and constitutes the "Final Terms" pursuant to art. 21 of the Additional Rules for the Listing of Derivates of SIX Swiss Exchange. Together with the issuance programme of March 08, 2010, registered with SIX Swiss Exchange (the "Issuance Programme"), the Final Terms constitute the complete listing prospectus according to the Listing Rules. In the event of discrepancies between this Termsheet and the Issuance Programme, the provisions of the Final Terms shall take precedence.

For structured products not listed on the SIX Swiss Exchange, the Termsheet constitutes the simplified prospectus pursuant to art. 5 of the Federal Act on Collective Investment Schemes (CISA). In addition, reference is also made (with the exception of the provisions authoritative for a listing) to the Issuance Programme, in particular to the detailed information on risks contained therein, to the General Terms and Conditions and to the descriptions of the corresponding product types.

During the entire term of the structured product, all documents may be ordered free of charge from Bank Vontobel AG, Financial Products documentation, Dreikönigstrasse 37, 8002 Zurich (telephone: +41 (0)58 283 78 88, fax +41 (0)58 283 57 67). Termsheets may also be downloaded on the [www.derinet.ch](http://www.derinet.ch) website.

**Further information**

The list and information shown do not constitute a recommendation concerning the underlying in question; they are for information purposes only and do not constitute either an offer or an invitation to submit an offer, or a recommendation to purchase financial products. Indicative information is provided without warranty. The information is not a substitute for the advice that is indispensable before entering into any derivative transaction. Only investors who fully understand the risks of the transaction to be concluded and who are commercially in a position to bear the losses which may thereby arise should enter into such transactions. Furthermore, we refer to the brochure "Special Risks in Securities Trading" which you can order from us. In connection with the issuing and/or selling of structured products, companies from the Vontobel Group can pay reimbursements to third parties directly or indirectly in different amounts. Such commission is included in the issue price. You can obtain further information from your sales agent upon request. We will be happy to answer any questions you may have concerning our products on +41 (0)58 283 78 88 from 08.00 – 17.00 CET on bank business days. Please note that all calls to this number are recorded. By calling this number, your consent to such recording is deemed given.

**Material changes since the most recent annual financial statements**

Subject to the information in this Termsheet and the Issuance Programme, no material changes have occurred in the assets and liabilities, financial position and profits and losses of the issuer/guarantor since the reporting date or the close of the last financial year or the interim financial statements of the issuer and, as the case may be, of the guarantor.

**Responsibility for the listing prospectus**

Bank Vontobel AG takes responsibility for the content of the listing prospectus and hereby declares that, to the best of its knowledge, the information is correct and that no material facts or circumstances have been omitted.

Zurich, April 23, 2010

Bank Vontobel AG, Zurich

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Your customer relationship manager will be happy to answer any questions you may have.



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