

4-Year AUD Fixed Coupon Note (“the Securities”) (ISIN:XS1040386622)

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ALL TERMS AND CONDITIONS STATED HEREIN ARE INDICATIVE, AND ARE TO BE CONFIRMED ON TRADE DATE. INVESTORS SHOULD NOTE THAT THE TERMS AND CONDITIONS ARE SUBJECT ALWAYS TO THE PRICING SUPPLEMENT.

INVESTORS SHOULD BE AWARE THAT THE TERMS SET FORTH IN THIS DOCUMENT ARE INDICATIVE AND ARE FOR DISCUSSION PURPOSES ONLY. THIS DOCUMENT DOES NOT CONTAIN THE FULL TERMS AND CONDITIONS OF THE SECURITIES. FULL TERMS AND CONDITIONS OF THE SECURITIES ARE DETAILED IN THE PROGRAMME MEMORANDUM AND THE PRICING SUPPLEMENT. IN CASE OF DISCREPANCY BETWEEN THIS DOCUMENT, THE PROGRAMME MEMORANDUM AND THE PRICING SUPPLEMENT, THE PRICING SUPPLEMENT WILL GOVERN. SINCE THE PRICING SUPPLEMENT IS ONLY ISSUED ON THE ISSUE DATE OF THE SECURITIES, INVESTORS SHOULD REFER TO THE DRAFT PRICING SUPPLEMENT. THEREFORE INVESTORS SHOULD READ THE PROGRAMME MEMORANDUM AND THE DRAFT PRICING SUPPLEMENT WHEN DECIDING WHETHER OR NOT TO PURCHASE THE SECURITIES. THESE DOCUMENTS WILL BE MADE AVAILABLE TO THE INVESTOR BY HIS/HER RELATIONSHIP MANAGER. THE PRICING SUPPLEMENT WILL ALSO BE MADE AVAILABLE FOR INSPECTION AFTER THE ISSUE DATE.

THIS IS NOT A STRUCTURED PRODUCT AND THE SECURITIES ARE SUBJECT TO THE CREDIT RISK OF THE ISSUER. THE POTENTIAL LOSS UNDER THE NOTE CAN BE SIGNIFICANT. IF THE ISSUER DEFAULTS, INVESTORS MAY LOSE THEIR ENTIRE INVESTMENT IN THE NOTE.

The Securities are unsubordinated and unsecured obligations of the Issuer and rank equally with all other unsubordinated and unsecured obligations of the Issuer.

Important Notices:

By entering into a transaction with Credit Suisse AG, London Branch, you acknowledge that you have read and understood the following terms: Credit Suisse AG is acting solely as an arm's length contractual counterparty and neither Credit Suisse AG nor Credit Suisse nor any affiliate is acting as your financial adviser or fiduciary unless it has agreed to so act in writing.

Before entering into any transaction you should ensure that you fully understand its potential risks and rewards and independently determine that it is appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances. You should consult with such advisers as you deem necessary to assist you in making these determinations.

You should also understand that either Credit Suisse AG or any affiliate may provide banking, credit and other financial services to any company or issuer of securities or financial instruments referred to herein, underwrite, make a market in, have positions in, or otherwise buy and sell securities or financial instruments which may be identical or economically similar to any transaction entered into with you. If we make a market in any security or financial instrument, it should not be assumed that we will continue to do so.

Any indicative terms provided to you are provided for your information and do not constitute an offer, a solicitation of an offer, or any advice or recommendation to conclude any transaction (whether on the indicative terms or otherwise). Any indicative price quotations, disclosure materials or analyses provided to you have been prepared on assumptions and parameters that reflect good faith determinations by us or that have been expressly specified by you and do not constitute advice by us.

The assumptions and parameters used are not the only ones that might reasonably have been selected and therefore no guarantee is given as to the accuracy, completeness, or reasonableness of any such quotations, disclosure or analyses. No representation or warranty is made that any indicative performance or return indicated will be achieved in the future.

None of the employees or agents of Credit Suisse AG or any affiliate is authorised to amend or supplement the terms of this notice, other than in the form of a written instrument, duly executed by an appropriately authorised signatory and countersigned by you. In the event that a transaction is executed these summary terms are conditional upon and subject to the terms of a formal legal confirmation.

It is your responsibility to review this document, the Documentation and any other documents relating to the Notes carefully to ensure that the Documentation and the Note are acceptable to you.

Credit Suisse AG or any affiliates has not made any warranty, representation, assurance, guarantee or recommendation as to the merits of the Note, nor the financial, legal, accounting, regulatory, tax or other position of the Note, CS or any other person or any other matter arising from or in connection with the Note.

In addition, by purchasing the Note you represent to Credit Suisse AG that you have fully complied, and will continue to fully comply, with all applicable laws and regulations for you to invest in the Note and exercise all rights and perform all your obligations under the Note.

Indicative Terms and Conditions as at 20 March 2014

Issuer:	Credit Suisse AG, London Branch (Rated A by S&P; A1 by Moody's, A by Fitch)
Issue Size/Aggregate Nominal Amount:	AUD 1,200,000
Nominal Amount per Note :	AUD 10,000
Issue Price:	100% of Aggregate Nominal Amount
Trade Date:	7 March 2014
Issue Date:	14 March 2014
Maturity Date:	14 March 2018, subject to the Following Business Day Convention
Interest Amount:	The Interest Amount per Note will be paid on the relevant Interest Payment Date as follows: $\text{Nominal Amount} \times \text{Rate of Interest (in aggregate for the full term of the note)}$ $\text{Rate of Interest (annualized)} = 3.7\%$ $\text{Rate of Interest (in aggregate for the full term of the note)} = 14.8\%$
Interest Commencement Date:	Issue Date
Day Count Fraction:	30/360 (unadjusted basis)
Interest Payment Date:	Maturity Date
Maturity Payment:	Each Note will be redeemed on the Maturity Date at a cash amount calculated as follows: $\text{Nominal Amount} \times 100\%$ <p>Maturity Payment will be paid to the Securityholders on the Maturity Date.</p>
Business Day:	A day (other than Saturdays and Sundays) on which commercial banks and foreign exchange markets settle payments in Sydney on which there is no Settlement Disruption Event.
Settlement Disruption Event:	Means an event beyond the control of the Issuer as a result of which the Issuer cannot effect payment/delivery (as relevant) in accordance with the terms of the Security, as the case may be, through the clearing systems.
Business Day Convention:	Following Business Day Convention (i.e. a day will be postponed to the next day that is a Business Day)
Further Issue:	The Issuer may from time to time without the consent of the Securityholders create and issue further Securities having the same terms and conditions as the Securities (so that, for the avoidance of doubt, references in the conditions of such Securities to "Issue Date" shall be to the first issue date of the Securities) and so that the same shall be consolidated and form a single series with such Securities, and references in these Conditions to "Securities" shall

- be construed accordingly.
- Listing:** The Securities will not be listed
- Form:** Registered Form
- Settlement:** Euroclear / Clearstream
- Calculation Agent:** Credit Suisse International
- Governing Law:** English Law
- Secondary Market Transactions:** Subject to prevailing laws and to the extent practicable, the Issuer may quote on a best efforts basis.
- Documentation:** The Securities will be issued under and are subject to, the terms of the General Terms and Conditions of Notes set out in the Programme Memorandum dated 10 July 2013 in respect of the Structured Products Programme for the issuance of Notes, Certificates and Warrants ("**Programme Memorandum**"), as supplemented by the relevant pricing supplement for this Note ("**Pricing Supplement**"). In case of any discrepancy between this document, the Programme Memorandum and the Pricing Supplement, the Pricing Supplement (read in conjunction with the Programme Memorandum) prevails.
- Risk Factors:**
- 1. Credit risk:**

Securities are obligations of the Issuer. The Securityholders will be exposed to the credit risk of the Issuer. The Securities are not guaranteed by any third party guarantor. The Note's retention of value is dependent on the creditworthiness of the Issuer which may change over the term of the Note. The Note is a direct, unsubordinated, unconditional and unsecured obligation of the Issuer and ranks equally with all other direct, unconditional and unsecured obligations of the Issuer.
 - 2. Market risk:**

There are various factors that affect the market value of the Securities. These may include but are not limited to, the general level of interest rates, the fluctuation of market price of the Specified Currency of the Note and the time to maturity of the Security.
 - 3. Interest rate risk:**

After the Issue Date, the market price of the Securities may be subject to and affected by the interest rate of the Specified Currency over the duration of the Securities.

Where Securities bear interest at a fixed rate, subsequent changes in market interest rates may adversely affect the value of the Securities.

Where interest on Securities is subject to floating rates of interest that will change subject to changes in market conditions, such changes could adversely affect the rate of interest received on the Securities.
 - 4. Currency Risk:**

Investors may be exposed to currency risks because the Securities may be denominated in currencies other than the currency of the country in which the investor is resident. The value of the Securities may therefore increase or decrease as a result of fluctuations in those currencies. As the Securities are denominated in the Specified Currency, the potential investors shall take into consideration of the related currency risk beforehand if the investment will be made in currencies other than the Specified Currency.
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5. Liquidity risk:

The Securities are not traded on any exchange, and may be illiquid. As a result, it may be impossible for the Securityholder to sell it to another holder or dealer and there is no central source to obtain current prices from other dealers. In normal market situation the secondary market of the Securities shall only refer to any redemption opportunity provided by the Issuer to the Securityholder. There are no other market participants who provide quotes on the secondary market of the Securities. Moreover, as the market conditions change unpredictably, the Issuer does not guarantee the availability of the aforementioned redemption opportunity and has no legal obligation to provide a secondary market.

6. Potential Loss:

The Note will be redeemed at maturity and interest will be payable at maturity. During the term of the Note, it can trade below its nominal value.

7. Hedging risk:

Means the increased cost of hedging borne by the Issuer. Specifically, the Issuer and/or its affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Securities) amount of tax, duty expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the underlying index of the Issuer entering into and performing its obligations with respect to the Securities, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or its affiliates shall not be deemed an increased cost of hedging. The Issuer may, at its discretion, adjust the terms and conditions of the Securities if an external event affects the Issuer's hedging arrangements.

8. Risk of early redemption by Issuer of the Securities:

Additionally, upon occurrence of an Illegality Event, the Issuer may either make adjustment to the Notes in accordance with the applicable terms and conditions, or early redeem the Notes at the fair market value of such Notes immediately prior to such early redemption in accordance with the terms and conditions of the Notes.

9. Re-investment risk:

In the event that the holder of the Securities sells the Securities in the secondary market before maturity of the securities and reinvests the sale proceeds, the investment return may not be as high as the potential return on this.

10. Risk of inflation:

When the inflation goes up, the investment return arising from Securities may possibly underperform.

11. Country risk:

The investment of the Securities may be exposed to risk if war, rebellion, riot, or an event of similar nature occurs in the country where the Issuer is located.

12. Risk of discretionary determination by the Issuer under the Securities:

When there is external event affecting the Issuer's hedging arrangements, the Issuer may, at its discretion, take actions to deal with the impact of such event which could have a material adverse impact on the value of the Securities..

This risk disclosure does not contain an exhaustive list of all risk factors. The investor should read and understand the risk factors set out in the Documentation and consult its independent professional advisors if in doubt.

**Selling
Restrictions:**

General

Except as set out in this Programme Memorandum or the relevant Pricing Supplement, no action has been or will be taken that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction where action for that purpose is required.

No offers, sales or deliveries of the Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Dealer.

United States

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Taiwan

The Securities may not be sold, offered or issued to Taiwan resident investors or in Taiwan unless they are made available outside Taiwan for purchase by Taiwan resident investors outside Taiwan and/or in Taiwan through the non discretionary trust services of licensed Taiwan banks or the brokerage services of licensed Taiwan brokers acting as trustees or agents, as applicable, of their customers and not as agent of the Issuer or any other party.
