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**To: NYSE MKT MEMBER ORGANIZATIONS**

**Subject: VELOCITYSHARES 3X LONG NATURAL GAS ETN**

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Compliance and supervisory personnel should note that, among other things, this Information Bulletin discusses customer suitability. Please forward this Information Bulletin to other interested persons within your organization.

The following exchange-traded notes will commence trading pursuant to unlisted trading privileges<sup>1</sup> on NYSE MKT, LLC ("NYSE MKT" or, the "Exchange") on August 20, 2015:

<b><u>Exchange-Traded Notes</u></b>	<b><u>Symbol</u></b>
VelocityShares 3x Long Natural Gas ETN linked to the S&P GSCI Natural Gas Index ER due February 9, 2032	UGAZ

### **Background on the Securities**

As more fully explained in the Pricing Supplement dated August 12, 2015, Prospectus Supplement dated May 4, 2015, and the Base Prospectus dated May 4, 2015 for the VelocityShares 3x Long Natural Gas ETN linked to the S&P GSCI Natural Gas Index ER due February 9, 2032 (the "ETNs") (File No. 333-202913), the return of the ETNs is linked to the S&P GSCI Natural Gas Index ER (the "Index"). The ETNs do not guarantee any return of principal at maturity and do not pay any interest during their term. For each ETN, investors will receive a cash payment at maturity, upon early redemption or upon acceleration by us that will be linked to the performance of the applicable Index, plus a Daily Accrual and less a Daily Investor Fee. The ETNs are senior medium-term notes of Credit Suisse AG (the "Issuer"), acting through its Nassau Branch, maturing February 9, 2032.

The Index is an excess return index calculated in accordance with the methodology of the S&P GSCI Index (the "S&P GSCI"), and is derived by reference to the price levels of the futures contracts on natural gas futures, as well as the discount or premium obtained by "rolling" hypothetical positions in such contracts forward as they approach delivery.

The Index is provided and calculated by S&P Dow Jones Indices LLC. The value of the Index is reported on Bloomberg under ticker symbol "SPGSNGP <Index>".

### **Payment at Maturity**

If the ETNs have not been previously redeemed or accelerated, on the Maturity Date investors will receive for each \$50 stated principal amount of the ETNs a cash payment equal to the applicable "Closing Indicative Value" (defined below) for such series of ETNs on the Final Valuation Date, as calculated by Credit Suisse International and VelocityShares LLC (the "Calculation Agents").

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<sup>1</sup> The ETNs are currently listed and traded on NYSE Arca. Please see the original Regulatory Bulletin at: <https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/rule-interpretations/2012/NYSEArca-RB-12-16.pdf>

### Closing Indicative Value

The Closing Indicative Value for each series of ETNs on the Inception Date was \$50. The Closing Indicative Value on each calendar day following the Inception Date for each series of ETNs will equal (1)(a) the Closing Indicative Value for such series of ETNs on the immediately preceding calendar day times (b) the Daily ETN Performance for such series of ETNs on such calendar day minus (2) the Daily Investor Fee for such series of ETNs on such calendar day. The Closing Indicative Value will never be less than zero. Please see the Pricing Supplement for additional information.

The Intraday Indicative Value for the ETNs is disseminated by market data vendors under the symbol UGAZ.IV.

Additional information regarding the ETNs, including information about redemption procedures, fees, and dividends can be found in the Product Supplement.

### Investment Risks

As described in the ETNs' Prospectus Supplement, investing in the ETNs involves a number of risks not associated with an investment in conventional debt securities. An investment in the ETNs involves significant risks and is not appropriate for every investor. Investing in the ETNs is not equivalent to investing directly in the Index. Accordingly, the ETNs should be purchased only by knowledgeable investors who understand the terms of the investment in the ETNs and are familiar with the behavior of the Index and financial markets generally. The ETNs are riskier than ordinary unsecured debt securities.

Interested persons are referred to the Prospectus for a full description of risks associated with an investment in the ETNs. These risks include: Risk of Uncertain Repayment of Initial Investment, Credit Risk of the Issuer, Long Holding Period Risk, Concentration Risk, Risk of Potentially High and Unpredictable Volatility in the Price of Natural Gas, No Rights in Any Physical Commodities or Natural Gas Futures, No Direct Exposure to the Spot Price of Natural Gas, No Interest Payments, Uncertain Trading Market for the ETNs, Requirements on Redemption by Credit Suisse, Offer for Redemption is Irrevocable, and Risks Associated with the Acceleration Feature.

For a more complete description of the securities and the payment at maturity, valuation, fees and risk factors, consult the ETNs' Pricing Supplement.

### Exchange Rules Applicable to Trading in the Shares

The ETNs are considered equity securities, thus rendering trading in the securities subject to the Exchange's existing rules governing the trading of equity securities.

### Trading Hours

The value of the underlying Index is disseminated to data vendors every 15 seconds from 9:30 a.m. ET until 4:00 p.m. ET. The ETNs will trade on NYSE MKT from 9:30 a.m. ET until 4:00 p.m. ET on every business day in accordance with NYSE MKT Rule 502 – Equities.

### **Suitability**

Member organizations are reminded of their obligations under NYSE MKT Rule 405 - Equities ("Diligence as to Accounts") whereby every member organization is required through a principal executive or a person or persons designated under the provisions of Rule 3110(a) - Equities to:

- (1) Use due diligence to learn the essential facts relative to every customer, every order, every cash or margin account accepted or carried by such organization and every person holding power of attorney over any account accepted or carried by such organization.
- (2) Supervise diligently all accounts handled by registered representatives of the organization.

FINRA has implemented increased sales practice and customer margin requirements for FINRA members applicable to leveraged exchange-traded products (which includes the ETNs) and options on such products, as described in FINRA Regulatory Notices 09-31 (June 2009), 09-53 (August 2009) and 09-65 (November 2009).

According to the Registration Statement, each of the ETNs is riskier than ordinary debt securities. Additional details regarding for whom investments in these ETNs are suitable and the associated risks can be found in the ETNs' Pricing Supplement. The ETNs are not suitable for all investors. In particular, the ETNs should be purchased only by investors who understand leverage risk and the consequences of seeking monthly compounded leveraged investment results, and who intend to actively monitor and manage their investments. The Exchange makes no representation regarding the suitability of an investment in the ETNs.

### **Trading Halts**

The Exchange will halt trading in the Shares because of a regulatory halt based on NYSE MKT Rule 515 – Equities ("Trading Halts, Suspensions, or Pauses"). In addition, the Exchange will halt trading in the Shares in accordance with NYSE MKT Rule 80B – Equities ("Trading Halts Due to Extraordinary Market Volatility") and NYSE MKT Rule 515 – Equities ("Trading Halts, Suspensions, or Pauses"). The Units will be traded following a trading halt in accordance with NYSE MKT Rule 508 – Equities ("Openings, Reopenings and Closings").

### **Prospectus Delivery**

Members and member organizations are advised to consult the "Supplemental Plan of Distribution" in the Pricing Supplement regarding prospectus delivery requirements. Members must deliver a prospectus to investors purchasing newly issued ETNs prior to or concurrently with the confirmation of a transaction.

### **No-Action Relief Under Federal Securities Regulations**

The Securities and Exchange Commission has issued no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934 (the "Exchange Act"). In connection with the ETNs, the Issuer is relying on the SEC No-Action Letter issued to Barclays Bank PLC (SEC Letter dated July 27, 2006) for securities with structures similar to that of the securities described herein (the "Letter"). The issuer relies on this Letter, and what follows is only a summary of the relief outlined in the Letter; the Exchange also advises interested members to consult the Letter, available at [www.sec.gov](http://www.sec.gov), for more complete information regarding the matters covered therein.

### Regulation M Exemptions

Generally, Rule 101 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits a “distribution participant” and the issuer or selling security holder, in connection with a distribution of securities, from bidding for, purchasing, or attempting to induce any person to bid for or purchase, any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities, and affiliated purchasers of such persons.

The Letter states that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 101 of Regulation M against persons who may be deemed to be participating in a distribution of the notes to bid for or purchase the notes during their participation in such distribution.

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule 100 of Regulation M defines “distribution” to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

The Letter states that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 102 of Regulation M against Barclays and its affiliated purchasers who bid for or purchase or redeem notes during the continuous offering of the notes.

### Section 11(d)(1) of the Exchange Act; Exchange Act Rule 11d1-2

Section 11(d)(1) of the Exchange Act generally prohibits a person who is both a broker and a dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he or she participated as a member of a selling syndicate or group within thirty days prior to such transaction.

The Letter states that the SEC Division of Trading and Markets will not recommend enforcement action under Section 11(d)(1) of the Exchange Act against broker-dealers who treat the notes, for purposes of Rule 11d1-2, as “securities issued by a registered . . . open-end investment company as defined in the Investment Company Act” and thereby, extend credit or maintain or arrange for the extension or maintenance of credit on the notes that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

**This Information Bulletin is not a statutory Prospectus. Members should consult the ETNs’ Pricing Supplement and the ETNs’ website for relevant information.**

Inquiries regarding this Information Bulletin should be directed to Phil Bak, Manager, Exchange Traded Funds, at (212) 656-2057.