

UBS Finance Flex. The flexible new method of financing.



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Anyone who harbours ambitious plans needs a partner like UBS – a partner that takes your needs on board, helps you make the right decision in every situation and is able to procure the right solutions for you.

UBS Finance Flex. An impressive financing model.

UBS Finance Flex – new to Switzerland

UBS Finance Flex was developed to meet the cash flow needs of a wide range of businesses. It is a flexible method of financing in which the available line of credit is linked to the development of sales. UBS Finance Flex enables companies to secure their liquidity without having to turn to an unsecured loan.

UBS focuses on your company's success

With all the expertise and comprehensive know-how of a global leader in banking, UBS supports you in achieving your business goals. We listen to what you want, take your needs on board and, within the framework of a four-stage consulting process, recommend solutions that are based on recognized high-quality products and services offered by UBS and other leading providers. As a UBS client you benefit from our years of market know-how and experience. Our sound financial resources and international strength give you the security of knowing you've made the right decision. As a client of this powerful group, you enjoy the combined benefits of superb solutions and first-class advice – UBS brings together global performance with traditional Swiss values, such as confidentiality, security and reliability.

Factors, the factor in your success

UBS Finance Flex is a service offering from Factors AG, a subsidiary of UBS AG. Factors has been the leading provider of factoring services in Switzerland for over 40 years. This position and Factors' good reputation are based on innovative product offerings consistently aimed at the needs of the market.



Flexible financing with UBS Finance Flex. UBS Finance Flex not only provides liquidity for you. It also creates a strategic advantage.

Revenue-based credit limit

You rely on a continuous and calculable cash flow in order to achieve your business goals or benefit from attractive market situations. All too often, however, your cash resources are not in liquid form but tied up instead in accounts receivable. This restricts your freedom of movement and makes it more difficult or even impossible for you to take advantage of opportunities. You can secure your cash flow and your flexibility by assigning your accounts receivable to Factors as soon as you have issued your invoices. In return, Factors will provide you with liquidity, increasing your entrepreneurial flexibility.

The more turbulent the times, the more difficult it is to accurately assess your cash requirements. With UBS Finance Flex your liquidity develops in line with your revenues – enabling your company to grow without getting into financial difficulties.



You benefit in three ways from UBS Finance Flex.

1. Flexible and low-cost financing

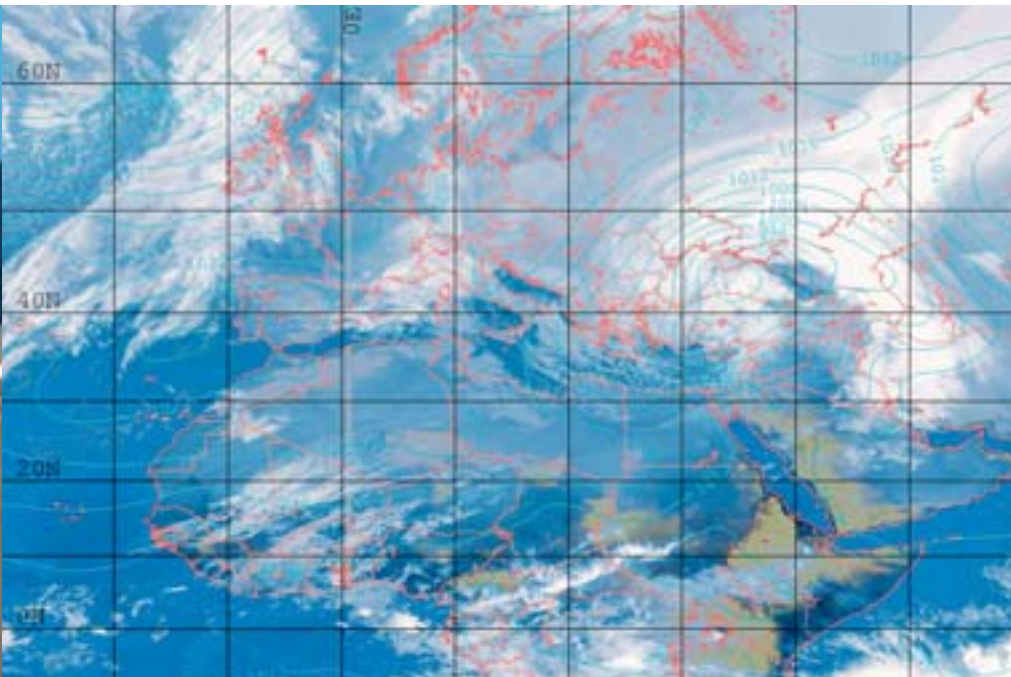
UBS Finance Flex provides you with a flexible line of credit. The higher your domestic and foreign accounts receivable, the higher your liquidity. UBS Finance Flex is also very attractive from the perspective of price and represents an alternative to unsecured loans worth looking at.

2. Reduction in accounts receivable losses, thanks to accounts receivable risk hedging

At Factors you can hedge your accounts receivable risks by using a credit risk guarantee, continue to use your existing credit risk insurance, or conclude a new one. The more cover you have for your accounts receivable through Factors or a credit risk insurance, the higher your financing limit with UBS Finance Flex. In this way, you not only minimize your accounts receivable losses but also benefit to a greater extent from the attractive terms offered by UBS Finance Flex.

3. Undisclosed assignment

Your clients are totally unaware that their accounts receivable have been assigned; unlike other factoring solutions, UBS Finance Flex is based on an undisclosed assignment: payment is made into an account in your company's name. All the accounts receivable administration, together with invoicing, reminders and collection, remain in-house.

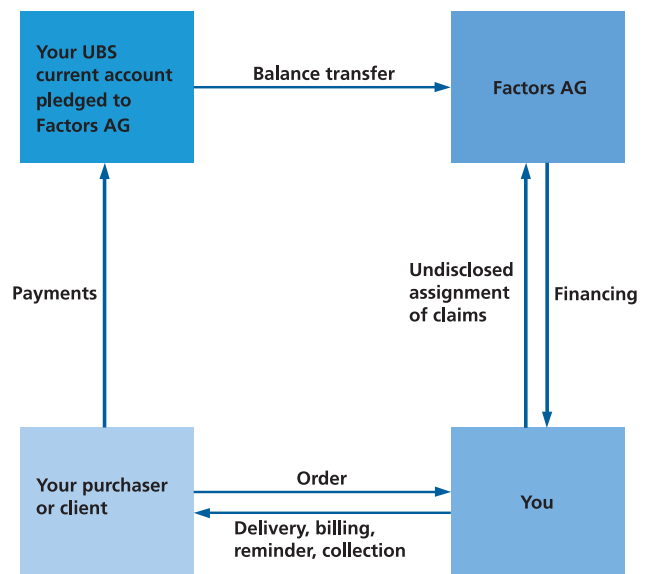


Maximum benefits, minimal cost. With UBS Finance Flex, you increase your liquidity, not your costs.

If you decide on UBS Finance Flex, your order processing will look like this:

- You receive an order. You submit an application to Factors or the credit insurer for an accounts receivable risk limit or carry out an in-house credit check on the new client. If satisfactory limits are available, you carry out the order.
- After rendering the goods or services, you invoice your client.
- You periodically send Factors your outstanding accounts receivable electronically, together with the corresponding accounts receivable risk limits, if available.
- With each transmission of accounts receivable, Factors calculates your new financing limit. You decide to what extent you wish to utilize this limit and have liquidity transferred to your UBS account.
- Your client remits the invoice amount to your UBS account which is assigned to Factors. Factors continually offsets these payments against the liquidity drawn.
- Factors conducts periodic audits of your accounts receivable together with you.

As you can see: compared with the benefits of revenue-based and attractive financing through UBS Finance Flex, your costs are minimal. In addition, UBS Finance Flex does not influence your relationship with your clients in any way.





The credit risk guarantee, integrated in most cases, protects you against domestic and foreign accounts receivable losses – in order that there are no limits placed on your ability to realize your growth plans.

Is UBS Finance Flex made for your company?

To enable you to fully benefit from UBS Finance Flex, you need to meet a number of requirements.

UBS Finance Flex will be to your benefit if you:

- are interested in flexible, revenue-based financing,
- wish to reduce your domestic and/or foreign accounts receivable loss risks,
- also wish to use your existing credit risk insurance to reduce your financing costs,
- have over CHF 1 million in financing requirements,
- sell to a diversified client portfolio,
- conduct a sound accounts receivable management with systematic reminders and collection procedures,
- would like more liquidity than would be possible within the framework of normal unsecured loans,
- and, of course, wish to benefit from attractive financing costs.

Does your company meet these requirements? Then UBS Finance Flex is both an attractive and low-cost method for meeting your financing needs.

For what type of companies is UBS Finance Flex suitable?

UBS Finance Flex is the right answer to the financing needs of primarily medium-sized and larger companies in many different sectors. It pays to look at UBS Finance Flex as an alternative method of financing if you sell a product or service with a normal to low dispute risk, if payment terms of 90 days or less are the norm and your domestic and foreign clients are of an acceptable credit quality.

Do you have any questions or would you like to know more? Speak with your UBS adviser – or ask for an offer!



What does UBS Finance Flex cost?

The offering is right. The price spot on.
UBS Finance Flex enables you to secure your liquidity not only flexibly and discreetly, but at attractive terms as well.

Competitive terms

Because the accounts receivable are assigned, Factors is likely to offer you more attractive terms and conditions for the UBS Finance Flex financing than you would be applied for an unsecured loan. The UBS Finance Flex pricing structure is clear and transparent. It normally comprises two components:

- The actual costs for the liquidity. A variable interest rate on the amount of credit utilized is applied; the determining factors are your company's credit rating and that of your debtors, as well as the diversification of your accounts receivable portfolio and the level of hedging for accounts receivable risks. In addition, we charge a factoring commission, similar to a credit commission for a current account loan.
- The credit risk guarantee from Factors or the credit risk insurance: The costs are primarily dependent upon the credit rating and diversification of your accounts receivable portfolio and your debtors' place of domicile. We will, however, also take into consideration the sector and market in which your company operates.

Every company has its own individual cash flow and financing requirements. You can count on UBS to provide a solution tailored to your needs – for example, UBS Finance Flex.



There are good reasons for choosing UBS Finance Flex:

- Flexible, attractive financing – Your liquidity grows in line with your accounts receivable balance and this at attractively priced terms.
- Confidentiality – Thanks to the undisclosed assignment, your clients know nothing about their accounts receivable having been assigned.
- Client contact – Despite the accounts receivable assignment, you maintain contact with your debtors and remain their first point of contact.
- Reduction in accounts receivable losses – The credit risk guarantee for domestic sales and exports reduces your business risk.

Interested in UBS Finance Flex? Or perhaps you would like to know more about this innovative method of financing? Contact your UBS adviser, who will be happy to assist you further.



Having made the right decision is a good feeling. UBS will provide you with advice and practical support in helping you to achieve your business goals.



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