



Reducing your sales charges

You may purchase shares of UBS Funds several different ways: directly from the Fund by calling the Funds' transfer agent; from your investment professional at UBS Financial Services Inc., an affiliate of the Funds; from nonaffiliated broker/dealers that maintain selling agreements with the Funds' underwriter; and from select third-party retirement and nonretirement platforms.

UBS Funds offer several ways to reduce your costs when you purchase shares. The following is general information on how to take advantage of reduced sales charges. **At the time your investment is made, UBS Asset Management must be notified that the investment is eligible for a sales charge reduction. If UBS Asset Management is not notified, the investment might not receive a sales charge reduction.**

Right of Accumulation

A purchaser of Class A shares may qualify for a reduction of the front-end sales charge on purchases of Class A shares by combining a current purchase with certain other Class A and/or Class P or Y shares of Family Funds already owned ("Family Funds" include other UBS Funds, PACE Select funds and other funds for which UBS Asset Management (US) serves as the principal underwriter)¹.

To determine if you qualify for a reduction of the front-end sales charge, the amount of your current purchase is added to the current net asset value of your other Class A and/or Class P or Y shares, as well as those Class A and/or Class P or Y shares of your spouse and children under the age of 21 and who reside in the same household.

If you are the sole owner of a company, you also may add any company accounts, including retirement plan accounts invested in Class A and/or Class P or Y shares of the Family Funds. Companies with one or more retirement plan may add together the total plan assets invested in Class A, and/or Class P or Y shares of the Family Funds to determine the front-end sales charge that applies.

To qualify for the discount on a purchase through a financial institution, when each purchase is made, the investor or institution must provide UBS Asset Management (US) with sufficient information to verify that the purchase qualifies for the privilege or discount. Shares purchased through a broker/dealer may be subject to different procedures concerning Rights of Accumulation. Please contact your investment professional for more information.

Letter of Intent

Investors also may obtain reduced sales charges for Class A shares for investments of a particular amount by means of a written Letter of Intent, which expresses the investor's intention to invest that amount within a period of 13 months in shares of one or more Family Funds. Each purchase of Class A shares under a Letter of Intent will be made at the public offering price applicable at the time of purchase, for each single transaction, totaling the dollar amount indicated in the Letter of Intent.

A Letter of Intent may include purchases of Class A and/or Class Y shares made not more than three months prior to the date that the investor signs a Letter of Intent and during the 13-month period in which the Letter of Intent is in effect; However, the 13-month period during which the Letter of Intent is in effect will begin on the date on which the Letter of Intent is signed.

¹ Please note any Family Fund that is a money market fund will not count for purposes of the right of accumulation discount or for purposes of satisfying the terms of a Letter of Intent.



Investors do not receive credit for shares purchased by the reinvestment of distributions. Investors qualifying for a right of accumulation discount (described above) may purchase shares under a single Letter of Intent.

Please see the Funds' prospectus and Statement of Additional Information (SAI) for details regarding Letters of Intent.

Letter of Intent forms may be obtained from UBS Asset Management (US) or from investment professionals. Investors should read the Letter of Intent carefully. Shares purchased through a broker/dealer may be subject to different procedures concerning Letters of Intent.

Additional information concerning sales charge reductions is available in the Funds' SAI, which can be obtained, free of charge, by contacting the Funds directly at 800-647 1568.

Waivers of Class A Front-End Sales Charge and Class A Shares Contingent Deferred Sales Charge

You may qualify for a waiver of certain sales charges on Class A shares. The Funds' prospectus describes how you can qualify for these waivers. Additional information concerning sales charge waivers is available in the Funds' SAI which can be obtained, free of charge, by contacting the Funds directly at 800-647 1568.

Note on Sales Charge Reductions and Waivers for Class A Shares

If you think you qualify for any of the sales charge waivers or reductions described above, you may need to notify and/or provide certain documentation to UBS Asset Management (US). You will also need to notify UBS Asset Management (US) of the existence of other accounts in which there are holdings eligible to be aggregated to meet certain sales load breakpoints. Information you may need to provide to UBS Asset Management (US) may include:

- Information or records regarding shares of the Fund or other funds held in all accounts at any financial intermediary;
- Information or records regarding shares of the Fund or other funds held in any account at any financial intermediary by related parties of the shareholder, such as members of the same family; and/or
- Any other information that may be necessary for UBS Asset Management (US) to determine your eligibility for a reduction or waiver of a sales charge.

For more information, you should contact your investment professional or call 800-647 1568. If you purchase shares through an investment professional, he or she may receive commissions or other concessions from various sources, for example, sales charges, Rule 12b-1 distribution fees and service fees, and/or revenue sharing from the Funds' advisor.