Change in client classification in accordance with the Swiss Financial Services Act (FINSA)

Client Name (hereinafter the "Client")

The Swiss Financial Services Act (FINSA) requests that financial service providers classify clients into three categories: retail, professional, and institutional clients, each of which has a different level of client protection, with retail clients enjoying the most comprehensive level of protection. If a client wishes to change their classification status, the corresponding declaration and fulfillment of the respective conditions (if required) are mandatory.

Please select only one option.

1. Change of classification from retail client to professional client
By checking the appropriate box and signing this document, the client requests to be granted the status of professional client in accordance with art. 5 (1 and 2) FINSA. The client affirms that he/she fulfills one of the following conditions.
(please check only one appropriate box):

- Natural person
  - ☐ Education and professional experience, or education and comparable experience in the financial sector, client has the knowledge necessary to understand the risks of products and transactions. Additionally, the client has at least CHF 500'000 eligible assets.
  - ☐ The client has at least CHF 2 million eligible assets.

- Company
  - ☐ The person responsible for investments (Last name / First name of the investment decision maker) ______________________________________ has the knowledge necessary to understand the risks of products and transactions, given his/her educational qualifications and professional experience (or comparable experience in the financial sector). Additionally, the client has at least CHF 500'000 eligible assets.
  - ☐ The client has at least CHF 2 million eligible assets.

- PIV
  - A ☐ The person responsible for investments (Last name / First name of the investment decision maker) ______________________________________ has the knowledge necessary to understand the risks of products and transactions, given his/her educational qualifications and professional experience (or comparable experience in the financial sector). Additionally, the client has at least CHF 500'000 eligible assets.
  - ☐ The client has at least CHF 2 million eligible assets.

  - B ☐ The client (structure) confirms that the retail client behind the structure fulfills one of the following conditions:
    - ☐ With his/her qualifications and professional experience, or comparable experience in the financial sector, the retail client behind the structure has the knowledge necessary to understand the risks of products and transactions. Additionally, the client behind the structure has at least CHF 500'000 eligible assets.
    - ☐ The client behind the structure has at least CHF 2 million eligible assets.

(Explanation of the terms “asset” and “education and professional experience” are provided in the Appendix of this document.)

1 Private investment vehicle without professional treasury operations. Option "A" is for direct confirmation of the PIV; option "B" is for confirmation of the client behind the PIV.
1.1. **Risk disclosure**

With the classification status change from retail to professional client, the level of client protection will decrease. Consequently, the following FINSA rules of conduct will change:

- When providing financial services at UBS Asset Management ("UBS AM"), we will assume that:
  1. The client has the knowledge and experience necessary to understand the risks and characteristics associated with financial instruments and transactions;
  2. The client has the financial means to bear risks associated with investments; and
  3. The client intends to take the risk associated with the financial instruments made available to him/her based on his/her investment guidelines.
- When the client buys financial instruments, UBS AM will only provide him/her with the KID (key information documents) (as available) upon request.
- Professional clients, as defined by the FINSA, are considered to be qualified investors according to the Swiss Collective Investment Schemes Act (CISA); they are therefore authorized to acquire financial instruments reserved for qualified investors.

2. **Change of classification from professional client to institutional client**

By checking the appropriate box and signing this document, the client requests to be granted the status of institutional client in accordance with art. 5(3) FINSA, and affirms that he/she fulfills one of the following conditions.

(please check only one appropriate box):

☐ The client is an occupational pension scheme with professional treasury operations, or an institution dedicated to the provision of occupational pensions with professional treasury operations (art. 4(3)(f) FINSA).

OR

☐ The client is a company with professional treasury operations (art. 4(3)(g) FINSA).

(Explanation of the term "professional treasury operations" is provided in the Appendix of this document.)

3. **Change of classification to institutional client**

By checking the box and signing this document, the client requests to be granted the status of institutional client in accordance with art. 5(4) FINSA, and affirms that he/she fulfills one of the following conditions.

(please check the box):

☐ The client is a Swiss or foreign collective investment scheme or a management company of a Swiss or foreign collective investment scheme. *(applicable only if not yet classified as institutional client in accordance with art. 4(3)(a/c) in conjunction with art. 4(4) FINSA)*

4. **Risk disclosure (relevant for section 2 and 3)**

The level of client protection will be reduced once the classification status is changed to institutional client. Consequently, the following FINSA rules of conduct change:

- UBS AM will not be obliged to conduct any assessments of suitability in the context of providing financial services;
- When rendering agreed financial services, UBS AM has no regulatory obligations to document such services, nor to provide an account of such services at the client’s request; and
- Institutional clients, as defined by the FINSA, are considered to be qualified investors according to the Swiss Collective Investment Schemes Act (CISA); they are therefore authorized to acquire financial instruments reserved for qualified investors.

5. **Change of classification from institutional client to professional client**

By checking the box and signing this document, the client requests to be granted the following status in accordance with art. 5(6) FINSA.

(please check the box):

☐ Change of classification from institutional client to professional client.
Consequences of the change of the client classification status

When a client’s classification status is changed from institutional to professional, the following rules of conduct as specified in the FINSA apply:

- When rendering agreed financial services, UBS AM is obliged to document these services and to provide an account of such services upon the client’s request.
- In the context of providing financial and asset management services, UBS AM is required to conduct assessments of suitability and appropriateness. In doing so, UBS AM will assume that the client has the knowledge and experience necessary to understand the risks associated with products and transactions, and that he/she has the financial means to bear risks associated with investments.
- When rendering agreed financial services, UBS AM as a financial service provider has the duty to provide information in accordance with art. 8(1-6) FINSA.

6. Change of classification from professional client to retail client

By checking the box and signing this document, the client requests to be granted the following status in accordance with art. 5(5) FINSA.

(please check the box):

☐ Change of classification from professional client to retail client.

(applicable only if not yet classified as institutional client in accordance with art. 4(4) FINSA)

Consequences of the change in client classification

Professional clients can request to change the classification to retail client (art. 5(5) FINSA). As UBS AM has no offering for retail clients, the client’s relationship will be terminated.

7. Client declaration

The client confirms that he/she has read and understood the risk disclosure and consequences of the change in client classification status. By checking the box and signing this document, the client requests to be granted the status as selected in this form and affirms that he/she fulfills the required conditions.

The status shall apply to the entire client relationship with UBS AM, including all authorized representatives.

The client acknowledges that UBS AM reserves the right to reject the requested change in classification.

8. Other rights and obligations

If the client decides to change his/her client classification from retail to professional resp. to institutional, he/she is prepared to provide, upon request from UBS AM, evidence that he/she fulfills the condition relevant to the classification. In the event that the condition is no longer fulfilled, whether temporarily or permanently, the client is obliged to inform UBS AM immediately.

The client affirms that no investment under the classification requested in this form will be made, unless he/she has received a written confirmation of the new classification by UBS AM.

By signing this document, the client confirms that he/she is able to make investment decisions independently and that he/she understands the risks involved and is willing to take the associated risks. Furthermore, the client confirms that he/she will accept responsibility for all consequences resulting from providing UBS AM with inaccurate information or from a breach of the obligation to provide information as described above, and he/she indemnifies UBS from all consequences arising therefrom.

The client is aware that his/her declaration is regulated not only by supervisory law but also by civil law and that it only pertains to the client’s relationship with UBS AM.

This declaration shall be governed by and construed in accordance with substantive Swiss law. Subject to mandatory jurisdictions provided by law, the exclusive place of jurisdiction for all legal proceedings shall be Zurich. This shall also be the place of performance and the place of debt collection for clients domiciled abroad.

Client signature

___________________________    _____________________________   ________________________________
Place    Date  Signature
APPENDIX TO THE UBS ASSET MANAGEMENT CLIENT CLASSIFICATION CHANGE FORM

Explanation

- **Assets**
  Eligible assets include financial investments that are directly or indirectly owned by the retail client, namely: sight or time deposits held in banks or at investment firms, securities and book-entry rights (including stock market securities, collective investment schemes, and structured products), derivatives, precious metals, life insurance policies with cash surrender values, and surrender claims arising from fiduciary relationships other than the ones specified in this list.
  The following are not considered to be financial investments: direct investments in real estate, social security claims and balances in occupational pension plans. These cannot be counted as part of client’s assets.

- **Education and experience**
  Education and professional experience, or comparable experience in the financial sector, are to be considered in a holistic context. Accordingly, a high level of educational training is needed to reduce or replace the level of experience required and vice versa. UBS applies the benchmarks described below.

- **Educational qualifications**
  The following qualifications (when combined with the requisite professional experience) are considered to be sufficient:
  i. Bachelor’s degree or higher in law, economics, or sciences (e.g., mathematics or physics) and work experience of at least one year in the financial sector; or
  ii. Diploma in the field of economics or finance (CFA, AZEK, accounting, taxation, fiduciary management, etc.) and work experience of at least one year in the financial sector; or
  iii. Bachelor’s degree or higher in a field outside of law, economics, or sciences, but with work experience of at least five years in the financial sector; or
  iv. Commercial apprenticeship in the financial sector and at least five years of work experience in the financial sector.

- **Professional experience**
  An individual who works or has worked for one of the following employers is considered to have professional experience in the financial sector:
  i. a company active in the financial sector (bank, insurance company, asset management firm, fiduciary, family office, etc.); or
  ii. a company not primarily active in the financial sector, but with professional treasury operations (if the person concerned holds or has held a position of responsibility in relation to the company’s treasury department); or
  iii. a public entity or occupational pension scheme with professional treasury operations (if the person concerned holds or has held a position of responsibility in relation to the company’s treasury department).
  
The length of professional experience required depends on the client’s level of education. Depending on the client’s education qualifications, between one and five years of professional experience in the financial sector is required.

- **Comparable experience in the financial sector**
  The client is considered to have comparable experience in the financial sector if, during the past four quarters, he/she executed an average of 10 financial market transactions per quarter (in funds, equities, bonds, structured products, and/or derivatives) at a minimum value of CHF 1'500 (or equivalent in another currency) per transaction.

- **Professional treasury operations**
  The client is considered to have professional treasury operations if (i) at least one qualified person with financial experience is entrusted with (ii) managing the assets of the client, i.e. its liquid and non-operating resources; (iii) on a permanent basis (iv) within the framework of a professional cash or treasury management.