Single investor funds under Swiss law
Infrastructure concept with long-term benefits

Your challenges
In a dynamic business environment of regulatory changes, cost pressure and operational challenges it is essential to focus on strategic issues and be able to rely on a strong partner.

Fund solution
In accordance with Art. 7 Paragraph 3 CISA, so called “single investor funds” can be launched for pension schemes with professional treasury operations (pension funds, investment foundations and other 2nd pillar schemes), supervised insurance companies and public sector entities (tax-exempt social insurance and compensation funds). As a rule, the single investors in question represent the interests of a number of final beneficiaries and are able to manage assets in the fund on their own, meaning they are not subject to FINMA supervision. It is also possible to delegate the management of the fund to banks, securities dealers or any other external asset managers regulated by FINMA, a cantonal regulation or an equivalent level of supervision abroad.

After having selected a Swiss fund management company, custodian bank and obtained the approval, the Swiss single investor fund can be launched. The single investor or external asset managers are responsible for managing the fund, while investments in kind (contribution) or in cash can be used to launch the fund. The single investor does not make any direct investments, but instead, only holds units of the respective single investor fund.

Transparency and cost efficiency
The complete cost and income transparency is ensured within the fund’s accounting practices, by providing an annual report that is audited by the external auditor of the fund management company. In addition, each investment fund employs accounting practices which enable the fund management company to provide an overview of the costs incurred.

<table>
<thead>
<tr>
<th>Single investor</th>
<th>units</th>
<th>subscription</th>
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White label single investor fund
Balanced multi-manager single investor fund in line with CISA with daily NAV calculation as well as daily subscription / redemptions

<table>
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<tr>
<th>General asset manager: single investor</th>
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<tbody>
<tr>
<td>PM : X</td>
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<tr>
<td>PM : Y</td>
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<td>PM : Z</td>
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<td>PM : W</td>
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<td>PM : …</td>
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<table>
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<tr>
<th>UBS Fund Management Company &amp; administration</th>
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<tr>
<td>Custodian bank of fund &amp; custodian bank control</td>
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Sustainable governance thanks to the Collective Investment Schemes Act (CISA)
The selected fund management company is required to act in the interests of the investors and must make all decisions in line with the duty of trust imposed upon them. As part of this duty, they must check compliance with the investment guidelines on a daily basis and do regular checks on the quality of the work carried out by the selected asset managers. In addition, they are responsible for the independent process for exercising voting rights as well as representing investors in class actions in accordance with internal guidelines.
Governance

Contract & distribution management (general contractor)

Fund supervision

Asset management supervision

Legal structure

Multi-manager / portfolio

Multi-share / currency class

Audit

UBS Fund Management (Switzerland) AG

UBS AM or third party

UBS Switzerland AG or third party

UBS Switzerland AG or third party

UBS Switzerland AG or third party

Service provider

Requirements for single investor funds

The following criteria must be fulfilled:

- Only for the following qualified investors:
  - Regulated life insurance companies
  - Corporations governed by public law and pension schemes with a professional finance department
  - Minimum volume: CHF 100 million
  - Investment concept with high proportion of direct investments

Administration

Launching your own single investor fund will result in a significantly simpler structure and reduced costs, as only one securities number instead of direct investments is required for each asset class. The net asset value (NAV) of each single investor fund contains all reclaimed withholding tax and taxes at source as well as the dividends and interest payments paid during the year, which are distributed to investors or reinvested once a year.

UBS Management Companies work with a limited number of best-in-class selected Central Administrators while you as a white labelling client will have a contract only with the UBS Management Company.

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