1. UBS Investment Fund Account/Custody Account

The UBS Investment Fund Account is an account intended specifically for the purpose of saving on the basis of investments in UBS Investment Funds. The units or fractions of units of UBS Investment Funds acquired are held in the UBS Investment Fund Custody Account, which is part of the UBS Investment Fund Account. These present regulations shall supplement in particular the general terms and conditions governing custody accounts – in the event of any contradiction they shall take precedence over the latter.

2. Investment plan types

There are two types of investment plan: the growth plan and the redemption plan. Investments (growth plan) and disinvestments (redemption plan) are based on the individual instructions specified.

2.1 Growth plan

The growth plan is intended to build up the client’s assets. By paying money into the UBS Investment Fund Account, the client automatically authorizes UBS Switzerland AG (hereinafter UBS) to invest the account assets in units or fractions of units (see section 4) of the UBS Investment Funds selected in the investment instructions, provided the minimum investment amount of CHF/EUR/USD 50 is reached on the UBS Investment Fund Account. If this amount is not reached, the investment will not be made even if the amount is reached by means of an additional account credit. In each case, the full amount is invested wherever possible.

The client is free to choose how much to pay into the account and how often. The purchase of units or fractions of units in the selected UBS Investment Fund generally takes place four bank working days after the payment is booked into the UBS Investment Fund Account.

2.2 Redemption plan

The redemption plan is intended for the regular disinvestment of investment capital available in the UBS Investment Fund Account. It requires capital of at least CHF/EUR/USD 50,000 in the UBS Investment Fund Account.

In opting for the redemption plan, the client instructs UBS to transfer amounts higher than or equal to the minimum disinvestment amount of CHF/EUR/USD 250 from the UBS Investment Fund Account to another account specified by the client at a predetermined time. The client must set up a separate standing order with UBS for this purpose.

In order to balance the account, UBS sells the requisite number of UBS fund units or fractions of fund units (see section 4) in line with the agreed investment instructions. If the fund holdings are not sufficient to cover the transfer, the transfer will not be executed; no partial payments are made.

3. Availability of invested capital/closure of UBS Investment Fund Account

Independent of the investment plan type (section 2), the client may withdraw up to 80% of the capital available in the UBS Investment Fund Account/Custody Account immediately by means of individual order. Withdrawals must in each case be at least equal to CHF/EUR/USD 250 (minimum disinvestment amount).

In order to balance the account, UBS sells the requisite number of fund units or fractions of fund units from the investment fund custody account belonging to the UBS Investment Fund Account as per the investment instructions. If the fund holdings are not sufficient to cover the transfer, the transfer will not be executed; no partial payments are made. If the client wishes to withdraw more than 80% of the capital available in the UBS Investment Fund Account/Custody Account or close the UBS Investment Fund Account, this can only be done once the sale of the fund units has been settled, which normally requires four banking days after the order is received.

4. Valuation of a UBS Investment Fund/net asset value

A fund’s total assets are valued every day after the stock exchange closes, and this total is divided by the number of fund units in circulation to give the net asset value (NAV) per unit, which is published on the next working day. If the amount to be invested or withdrawn is higher or lower than the NAV per unit, fractions of units (up to three decimal places) are calculated for the investments or disinvestments.

The issue or redemption price of fund units corresponds with the NAVs that are recalculated daily after close of trading. The NAVs of the UBS Investment Funds are published in part in the daily press and in full on the Internet.

5. Interest rates, charges, commissions, expenses and taxes

5.1 Interest rates

Any uninvested credit balance on a UBS Investment Fund Account in CHF or EUR earns interest. No interest is paid on UBS Investment Fund Accounts in USD.

Gross interest income is subject to withholding tax. This tax is not applied if the account is balanced only once in the calendar year and the gross interest income also does not exceed an amount of CHF 200 (or equivalent in EUR).

No interest is charged for debit balances. As a rule the cut-off date for interest calculation is December 31 every year. If the UBS Investment Fund Account is closed, interest is calculated immediately.

5.2 Administration fee for the UBS Investment Fund Account

An administration fee (plus VAT for clients domiciled in Switzerland and Liechtenstein) is charged for the UBS Investment Fund Account. The administration fee is calculated on the basis of the amount of capital invested in the UBS Investment Fund Account on the last day of each month and debited quarterly if it amounts to at least CHF 5, but no later than at the end of the year.

5.3 Charges and taxes in connection with investments in UBS Investment Funds

The usual charges apply for issuing fund units or fractions of fund units: this includes the issuing commission (which varies from fund to fund) and the Swiss federal stamp taxes on funds domiciled outside Switzerland.

All costs applicable to the fund (such as the administration fee) are already included in the NAV. There is no redemption commission for selling (redeeming) fund units or fractions of fund units.

5.4 Debit/covering of charges, costs, deductions, commissions, taxes, etc.

Administrative fees, costs, commissions and other fund charges, deductions and taxes are debited to the UBS Investment Fund Account and offset against payments made by the client or distributions on fund units or – as soon as a debit balance of more than CHF/EUR/USD 250 (minimum disinvestment amount) is available – covered by the sale of fund units or fractions of fund units (see section 4). If the UBS Investment Fund Account is closed, a statement of charges is issued immediately.

5.5 Interest rates, charges, commissions, expenses and taxes and changes to these

The interest rates, charges, commissions, fees and taxes charged by UBS are based on lists/product information sheets that can be viewed at any time as well as on the prospectus/regulations for the fund in question. Changes are possible at any time due to changes in market conditions or costs by updating the lists/product information sheets – in justified cases prior to notification. The changes will be communicated in an appropriate form. If the client does not agree with the changes that have been announced, he has the right to close his UBS Investment Fund Account/Custody Account with immediate effect. If the banking relationship is terminated, the account closure/disinvestment is performed in accordance with section 3.

6. Income distributions

For investment funds domiciled in Switzerland that distribute their income, net income distributions (i.e. after deduction of any withholding taxes) are automatically reinvested in units or fractions of units (see section 4) of the relevant funds regardless of the minimum investment amount and with no issuing commission charged.

For investment funds domiciled outside Switzerland that distribute their income, however, net income distributions are credited to the UBS Investment Fund Account and are only reinvested as per the investment instructions when the minimum investment amount of CHF/EUR/USD 50 is reached.

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7. Custody of fund units
The fund units or fractions of fund units acquired are held in the UBS Investment Fund Custody Account.
The client can dispose of the fund units or fractions of fund units held in custody on his behalf at any time by issuing an order to UBS to sell these and pay out the proceeds (see section 3). For a fee, the client can issue the instruction to UBS to transfer the fund units or fractions of units to a third-party bank, provided the recipient bank accepts these securities.

8. Statements
UBS provides the client with a transaction statement for every fund purchase and sale. The client additionally receives an annual "Fund account statement", which contains details of the client's fund holdings and an overview of their performance.

9. Changes to investment instructions/clarity of instructions
The client may change his investment instructions at any time. The changes will only apply to future investments. If a new strategy is chosen, this is limited exclusively to new investments of assets held in the UBS Investment Fund Account. No consideration will be given to previous investments on implementation of the new strategy. However, the client is authorized to submit alternative separate instructions relating to previous investments when changing the investment instructions.

The currency of the UBS Investment Fund Account cannot be changed. A change in currency can only be effected by closing the UBS Investment Fund Account and opening a new UBS Investment Fund Account in a different currency.

The investment plan type (growth or redemption) may be changed at any time. However, the redemption plan requires a minimum capital amount (see section 2.2).

The client must ensure that the correct account number is given in full for all deposits, orders, etc. UBS automatically converts deposits, orders, etc. into the currency of the UBS Investment Fund Account, if these are clearly intended for the UBS Investment Fund Account but do not match its currency.

10. Fund merger, liquidations or reorientation

10.1 Fund merger
UBS shall notify the client in the event of a fund merger. Unless the client issues instructions to the contrary or alters the investment instructions within the specified deadline, UBS shall adhere to the previously issued investment instructions, taking account of the fund merger as notified. Such transactions may be subject to investment delays for operational reasons.

10.2 Fund liquidation
UBS shall notify the client in the event of a fund liquidation and request that the client issue UBS new investment instructions (also concerning the investment of the proceeds of the liquidation). Until new investment instructions have been issued, the liquidation proceeds, which are booked to the Investment Fund Account, and other incoming funds (section 2.1) will not be invested; interest shall accrue in accordance with section 5.5.

10.3 Fund reorientation
UBS shall notify the client in the event of a fund reorientation. The previously agreed investment instructions shall continue to apply unless UBS receives new instructions from the client.

11. Documentation and regulations
Price lists, product information sheets, prospectuses and regulations as well as annual and semi-annual reports of the individual UBS Investment Funds are available free of charge from UBS Switzerland AG, P.O. Box, CH-8098 Zurich, or UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel.

12. Special conditions for young bank clients and young professionals
Young bank clients are children and young people up to age 20 as well as UBS Generation and UBS Campus clients. Young professionals are UBS Young Professional clients.

The following special conditions apply for young bank clients and young professionals:

a) The minimum disinvestment amount is CHF/EUR/USD 100.
b) Currently a 50% discount is given on issuing commissions.

13. Changes to these regulations
UBS reserves the right to change the UBS Investment Fund Account/Custody Account regulations in justified cases at any time. UBS is required to communicate the changes in advance in an appropriate manner. The changes shall be considered approved if no written objection is received within one month of their announcement. In the event of an objection, the client may close the UBS Investment Fund Account/Custody Account with immediate effect prior to the changes entering into force. Special agreements shall remain reserved. If the client has access to UBS Digital Banking, amendments and modifications to the present regulations may also be communicated exclusively in electronic form. If the banking relationship is terminated, the account closure/disinvestment is performed in accordance with section 3.

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