

MiFID II Best Execution Top five venue and broker report

In best effort with the "Commission Delegated Regulation (EU) 2017/576" RTS 28 we are publishing the top 5 execution venue reports for executed orders and for orders placed for execution with other entities under Art. 65 (6) "Commission Delegated Regulation (EU) 2017/565" we are publishing the top 5 broker reports for transmitted orders.

Furthermore you will find a summary of the analysis and conclusions we draw from our detailed monitoring of the quality of execution obtained on the execution venues where we executed and transmitted client orders in the previous year.

Applicability

Legal Entity	UBS Switzerland AG
LEI	549300WOIFUSNYH0FL22
Reporting Period	01/01/2017 – 31/12/2017
ESMA Class of Financial Instrument	All, where applicable



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1. Shares & Depositary receipts

1.1. RTS 28 execution venue report

Class of Instrument	Equities – Shares & Depositary receipts		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
SIX Swiss Exchange LEI: 529900ZMNQFCPP762W05	43.49%	73.18%	87.06%
Xetra LEI: 529900G3SW56SHYNPR95	1.48%	2.73%	34.75%

1.2. Article 65 (6) broker report

Class of Instrument	Equities – shares & depositary receipts		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS Securities LLC US LEI: T6FIZBDPKLYJKFCRVK44	24.68%	15.75%	44.35%
UBS AG London Branch LEI: BFM8T61CT2L1QCCEMIK50	16.60%	9.65%	33.52%
UBS Limited GB LEI: REYPIEJN7XZHSUI0N355	10.11%	4.30%	4.38%

UBS Securities Asia Ltd HK LEI: 549300Y35FCB6270R069	1.94%	1.08%	40.08%
Citigroup Global Markets Limited GB LEI: XKZZ2JZF41MRHTR1V493	0.62%	0.68%	30.23%

1.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors according to price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG UBS Ltd are 100% subsidiaries of UBS AG. UBS Switzerland AG and UBS Ltd are used as broker for routing and the transmission of orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to

ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

2. Debt instruments

2.1. RTS 28 execution venue report

Class of Instrument	Debt instruments - Bonds		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Bloomberg LEI: 54930009PUG5E512LD66	52.96%	47.83%	0.10%
TradeWeb LEI: 2138001WXZQOPMPA3D50	17.88%	17.73%	0.00%
MarketAxess LEI: GPSMMRI21JE7ZCVYF972	6.97%	10.00%	0.00%
SIX LEI: 529900ZMNQFCPP762W05	3.76%	12.58%	93.60%

Class of Instrument	Debt instruments – Money market instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS AG, Zuerich LEI: BFM8T61CT2L1QCEMIK50	49.31%	9.61%	43.59%
UBS Limited LEI: REYPIEJN7XZHSUI0N355	21.73%	4.19%	58.82%
TradeWeb LEI: 2138001WXZQOPMPA3D50	18.12%	31.28%	3.15%
Bloomberg LEI: 54930009PUG5E512LD66	8.35%	40.39%	8.54%
Société Générale, LEI: O2RNE8IBXP4R0TD8PU41	2.48%	0.25%	100.00%

2.2. Article 65 (6) broker report

Class of Instrument	Debt instruments - Bonds		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UniCredit Bank AG LEI: 2ZCNRR8UK83OBTEK2170	82.04%	90.80%	17.92%
NIBC Markets N.V. NL LEI: 724500TUHMB5LASMGJ47	4.65%	7.44%	56.93%

RBC Dominion Securities Inc. LEI: 549300QJX6CVVUXLE15	0.25%	0.76%	41.43%
UniCredit Bank Austria AG AT LEI: D1HEB8VEU6D9M8ZUXG17	0.02%	0.02%	0.0%

Class of Instrument	Debt instruments - Money markets instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Banca Akros SpA IT LEI: 549300GRXFI7D6PNEA68	100.00%	100.00%	0.00%

2.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, likelihood of execution and size and nature of the order.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

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UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

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Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

3. Interest rates derivatives

3.1. Article 65 (6) broker report

Class of Instrument	Interest rates derivatives - Futures and options admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS Limited LEI: REYPIEJN7XZHSUI0N355	100.00%	100.00%	100.00%

3.2. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

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- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

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Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the

processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

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(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

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(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

4. Currency derivatives

4.1. Article 65 (6) broker report

Class of Instrument	Currency derivatives - Futures and options admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS Limited LEI: REYPIEJN7XZHSUI0N355	100.00%	100.00%	100.00%

4.2. RTS 28 execution venue report

Class of Instrument	Currency derivatives - Swaps, forwards, and other currency derivatives		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS Switzerland AG, LEI: 549300WOIFUSNYH0FL22	100.00%	100.00%	n/a

4.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, likelihood of execution, speed and size and nature and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

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(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

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Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing

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Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

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- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS do not make use of the output of a consolidated tape provider.

5. Structured finance instruments

5.1. RTS 28 execution venue report

Class of Instrument	Structured finance instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Bloomberg, LEI: 549300O9PUG5E512LD66	38.94%	65.59%	7.10%
SumRidge Parnters LLC US, LEI: 529900ECMK8V16Q1FG89	33.81%	3.23%	0.00%
DBS Bank Ltd SG, LEI: ATUEL7OJR5057F2PV266	12.51%	0.36%	100.00%
MarketAxess, LEI: GPSMMRI21JE7ZCVYF972	7.40%	17.92%	6.00%
Standard Chartered Bank LEI: RILFO74KP1CM8P6PCT96	7.21%	2.15%	83.33%

5.2. Article 65 (6) broker report

Class of Instrument	Structured finance instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UniCredit Bank AG LEI: 2ZCNRR8UK83OBTEK2170	100.00%	100.00%	0.00%

5.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, likelihood of execution, and size and nature of the order, speed, and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

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- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy. Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

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MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the

review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

6. Equity derivatives

6.1. Article 65 (6) broker report

Class of Instrument	Equity derivatives - Options and Futures admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS LTD LEI: REYPIEJN7XZHSUI0N355	100.00%	100.00%	100.00%

6.2. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the

processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG UBS Ltd are 100% subsidiaries of UBS AG. UBS Switzerland AG and UBS Ltd are used as broker for routing and the transmission of orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

7. Securitized derivatives

7.1. RTS 28 execution venue report

Class of Instrument	Securitized derivatives - Warrants and certificate derivatives		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS AG London Branch, LEI: BFM8T61CT2L1QCEMIK50	38.56%	5.24%	13.12%
UBS Limited, LEI: REYPIEJN7XZHSUI0N355	11.53%	2.72%	55.88%
SIX, LEI: 529900ZMNQFCPP762W05	8.30%	48.44%	58.84%
Golman Sachs International LEI:W22LROWP2IHZNBB6K528	6.41%	0.69%	44.17%

7.2. Article 65 (6) broker report

Class of Instrument	Securitized derivatives - Warrants and certificate derivatives		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
ICF BANK AG LEI: 529900E89HA1I45HB613	1.21%	5.31%	42.39%

Banca IMI SpA LEI: BFM8T61CT2L1QCCEMIK50	1.08%	3.54%	18.93%
UBS Securities LLC US LEI: T6FIZBDPKLYJKFCRVK44	1.02%	4.13%	69.86%
UBS AG London Branch LEI: BFM8T61CT2L1QCCEMIK50	0.36%	1.29%	22.34%

7.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, size and nature of the order, speed, likelihood of execution and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG UBS Ltd are 100% subsidiaries of UBS AG. UBS Switzerland AG and UBS Ltd are used as

broker for routing and the transmission of orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into

our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

8. Exchange traded products

8.1. RTS 28 execution venue report

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
SIX LEI: 529900ZMNQFCPP762W05	37.04%	43.83%	33.29%
TradeWeb LEI: 2138001WXZQOPMPA3D50	6.09%	0.09%	8.47%
Xetra LEI: 529900G3SW56SHYNPR95	2.79%	2.92%	32.71%
UBS AG London Branch LEI: BFM8T61CT2L1QCEMIK50	0.60%	0.03%	2.40%

Bloomberg LEI: 54930009PUG5E512LD66	0.12%	0.11%	27.63%
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8.2. Article 65 (6) broker report

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS London Branch LEI: BFM8T61CT2L1QCEMIK50	20.50%	24.72%	16.03%
UBS Securities LLC LEI: T6FIZBDPKLYJKFCRVK44	16.83%	15.63%	43.49%
UBS Limited LEI: REYPIEJN7XZHSUI0N355	10.57%	7.90%	1.15%

8.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors according to price, cost, size and nature of the order, speed, likelihood of execution and any other relevant factors.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG UBS Ltd are 100% subsidiaries of UBS AG. UBS Switzerland AG and UBS Ltd are used as broker for routing and the transmission of orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no data relating to the regulatory quality of execution reports (RTS 27) is yet available from execution venues. Therefore, these have not been factored into our assessments of execution venues.

However, an internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

9. Other instruments¹

9.1. RTS 28 execution venue report

Class of Instrument	Other instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
SIX LEI: 529900ZMNQFCPP762W05	6.63%	24.64%	81.50%
UBS Limited LEI: REYPIEJN7XZHSUI0N355	3.52%	0.04%	12.50%
UBS AG London Branch LEI: BFM8T61CT2L1QCEMIK50	1.20%	1.65%	1.22%

9.2. Article 65 (6) broker report

Class of Instrument	Other instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
UBS Limited LEI: REYPIEJN7XZHSUI0N355	3.80%	2.89%	1.63%
UBS Securities LLC LEI: T6FIZBDPKLYJKFCRVK44	0.50%	1.34%	39.65%

¹ Other instruments also includes various instruments i.e. Equities ETFs, Fixed Income and Money Market, Securitized Derivatives where MiFID reference data are not available.

UBS AG London Branch LEI: BFM8T61CT2L1QCEMIK50	0.42%	0.63%	25.16%
Bank Julius Bär&Co. AG LEI: PNWU8O0BLT17BBV61Y18	0.21%	0.25%	7.07%

9.3. Quality of execution summary

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When assessing the quality of execution UBS takes in to consideration the relative importance of the execution factors for funds according to price, cost, provider quality and likelihood of execution.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

Conflicts of interest

There are conflicts of interest relating to execution venues, listed below, that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has an ownership or other economic interest in an execution venue or clearinghouse.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG UBS Ltd are 100% subsidiaries of UBS AG. UBS Switzerland AG and UBS Ltd are used as broker for routing and the transmission of orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

UBS will not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if they will result in UBS failing to meet its best possible outcome obligations or result in contravening requirements on conflicts of interest or inducements. UBS has guidelines and procedures in place in order to ensure that arrangements with execution venues are in the best interest of the client.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Clients of Wealth Management are generally regarded as Retail Clients unless they are explicitly classified as Professional Clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client Orders or receiving and transmitting Orders on behalf of its Retail Clients and it extends the same treatment to its Professional Clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

Certain criteria are given precedence to the execution of Client Orders if they are either express instruction from the Client or those criteria are assessed as delivering the best possible result in terms of the total consideration to the Client.

If a Client gives an express instruction to execute an Order in a particular way, UBS will execute the Order in accordance with these express instructions. If the instructions only relate to a part of an Order, UBS will apply its principles for best execution to the remaining part of the Order which is not covered by the express instruction.

Please note that under certain circumstances express instructions for executing an Order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) Order.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27];

As of the date of publication of this qualitative assessment, no regulatory quality of execution reports (RTS 27) are yet available from execution venues. Therefore these have not been a factor in our assessments of execution venues.

However, there is internal venue analysis that is undertaken to support the review and assessment of venues in the provision of best execution for our Clients.

When assessing the quality of execution of execution venues, UBS utilizes the following available tools and data in order to ensure the best possible result for the Client:

- Real time monitoring of markets, NAV or price
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

UBS does not make use of the output of a consolidated tape provider.

10. Definitions and glossary

Aggressive order

Means an order entered into the order book that took liquidity.

Execution venue

Describes a regulated market, a MTF, an SI, an OTF, a market maker or different liquidity provider and/or a unit which realizes a similar task to one of the aforementioned instances.

Directed Order

Means an order where a specific execution venue was specified by the client prior to the execution of the order.

Multilateral Trading Facility ("MTF")

Describes a multilateral system operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract.

Order – describes the instruction to buy or sell a financial instrument which is accepted by UBS for execution or for passing on to a third party.

Organized Trading Facility ("OTF")

Means a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract.

Passive order

Means an order entered into the order book that took liquidity.

Regulated Market

A multilateral system operated and/or administered by a market operator which consolidates or promotes the consolidation of the interests of a large number of third parties in the purchasing and selling of financial instruments within the system and according to its rules which, in such way, works properly and leads to a contract in relation to financial instruments which have been approved for trading in accordance with the rules and/or the systems of the market and which have received an approval.

Systematic Internaliser ("SI")

Means an investment firm which, on an organized, frequent systematic and substantial basis, deals on own account when executing client orders outside a regulated market, an MTF or an OTF without operating a multilateral system.

Trading Venue

A regulated market, MTF or an OTF.

WM

Wealth Management division of UBS.