# UBS—A firm you can count on

UBS Financial Services Inc. ("UBS" or "we") deeply values the trust you place in us and our ability to help you grow and protect your assets. We believe that your UBS Financial Services Inc. account is among one of the safest places to hold your assets. Your account is protected in a variety of ways that all work together to give you confidence in the safety of your assets, including the:

- Financial strength of the parent company, UBS Group AG
- Security and stability of UBS Financial Services Inc.[1]
- Control policies and procedures employed across all our organizations to segregate customer assets
- Protection provided by the Securities Investor Protection Corporation (SIPC®) and our supplemental insurance policy. For more information, please see "Your accounts are protected by SIPC" section on page 2

## We're strong and anchored. So you can feel the same way.

For over 160 years, UBS clients have benefited from the firm's ability to demonstrate financial strength through ever-changing economic climates. The capital strength of UBS Group AG is demonstrated by its BIS Basel III Common Equity Tier 1 (CET1) capital ratio of 14.70% as of March 31, 2026.[2]

UBS Group AG, our parent company, owns UBS Financial Services Inc. and UBS Bank as well as a number of other businesses contributing to the consolidated firm's diversification and growth globally. In the US, wealth management services are provided primarily through UBS Financial Services Inc., a registered broker-dealer and an indirect wholly owned subsidiary of UBS Group AG. This means that the parent company, UBS Group AG, and its subsidiaries are separate corporate entities.

The separation helps to ensure that assets held at one entity will not be at risk due to the failure of or lack of capital at a related entity.

## Exceeding net capital requirements set by the SEC

As a registered broker-dealer, UBS Financial Services Inc. is subject to oversight by the US Securities and Exchange Commission (SEC), whose "Net Capital" rule is designed to protect you against the risk of a broker-dealer's failure. The Net Capital rule specifies levels of positive net worth the firm must maintain. UBS Financial Services Inc. must meet capital requirements at all times, and regulators carefully monitor these levels. If a firm's net capital were to fall below the required minimum level, that firm would be immediately forced to obtain additional capital, merge with a financially stronger firm or cease all operations as a broker-dealer and return all client property.

UBS Financial Services Inc. has an established history of operating in compliance with the SEC's net capital requirements and maintaining net capital at levels substantially exceeding those required under the Net Capital rule.

As of March 31, 2026, UBS Financial Services Inc.'s net capital was $1,422,113,543 which exceeds the minimum net capital requirement by $1,248,383,279.

## Rigorous controls that keep your securities safe

A number of rigorous control and segregation requirements help ensure that the securities you hold with us are as safe as those held at other regulated financial institutions.

- **Your securities are legally your property, not part of a broker-dealer's assets or capital.** The SEC imposes a stringent "Customer Protection" rule that governs the custody and use of clients' securities and cash. As a UBS Financial Services Inc. client, your securities are not exposed to the claims of its general creditors because,

similar to custody accounts with banks and trust companies, client securities are not assets of the financial institution.

- **UBS Financial Services Inc. may not use your securities without your written consent.** A broker-dealer may not lend (rehypothecate) client securities unless they are held in a margin account, and a margin debit balance exists in that account. Strict regulatory limits and protections govern the use of client securities.
- **You benefit from the safety of rigorous security holding practices.** Under the "Customer Protection" rule, clients' fully paid and excess margin securities must be in the broker-dealer's possession or control and must be segregated for the exclusive benefit of the clients. Broker-dealers are also obligated to establish a "Special Reserve Bank Account" for the exclusive benefit of their clients. They must account for and physically inspect or otherwise verify every security owned by them or by clients or due from broker-dealers, at least once every calendar quarter. The firm regularly balances and reconciles the records of its securities holdings at its depositories.

## Your accounts are protected by SIPC [3]

UBS Financial Services Inc. is a broker-dealer and member of the Securities Investor Protection Corporation (SIPC), so your securities, including money market mutual funds and cash held in your securities accounts with us, are further protected by SIPC and by supplemental insurance we maintain with London Insurers.

SIPC provides customer protection in the event that one of its member firms fails. SIPC protection does not come into play unless two conditions are met:

1. A broker-dealer fails; and
2. At the time of the failure, client securities held in custody cannot be accounted for. In these unlikely events, SIPC would step in as quickly as possible and work to return clients' cash, stock and other securities.

If no client securities are missing, clients will receive all their securities back. If sufficient assets are not available in the broker-dealer's client accounts (including the Special Reserve Bank Account) to satisfy claims for the net equity value of client accounts, SIPC's reserve funds are used to supplement the distribution, up to a ceiling of $500,000 per client, including a maximum of $250,000 for cash claims.

These limits apply to each "separate" client. A client who holds accounts in separate capacities (single name, joint tenant, trust accounts) may be entitled to separate protection for those accounts if SIPC requirements are met. Additional funds may be available to satisfy the remainder of client claims after the cost of liquidating the brokerage firm is taken into account. For more information, you may visit sipc.org.

## Supplemental protection for confidence in the safety of your assets

UBS Financial Services Inc., together with certain affiliates, has also purchased supplemental insurance. Subject to the policy conditions and limitations, the maximum amount payable under this policy is $500 million to all UBS US broker-dealers as a group. Within this policy limit, free credit balances are protected up to $1.9 million in the aggregate for all your accounts held in a particular capacity, and the policy does not have a per customer limit on claims for securities. A full copy of the policy wording is available upon request. UBS Financial Services Inc. also carries a Stockbrokers Blanket Bond covering customers' securities in our possession (which covers losses due to employee dishonesty, theft, destruction, or other perils) and Excess Vault Insurance (which provides all-risk coverage for the physical loss or damage to securities held by UBS Financial Services Inc).

## UBS Bank[4]

For many clients, available "cash" in their UBS Financial Services Inc. securities account(s) is "automatically swept" daily to bank deposit accounts held at UBS Bank (member FDIC), and depending on the sweep program, the FDIC-insured banks listed at ubs.com/bankprioritylists. UBS Bank is an indirect wholly owned subsidiary of UBS Group AG. UBS Bank is capitalized separately from UBS Financial Services Inc. and is considered "well-capitalized."

## FDIC insurance

Deposits at UBS Bank are not protected by SIPC but are instead eligible for insurance by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 (including principal and accrued interest) for each insurable capacity (e.g., single, joint, corporate, etc.) in which you hold the deposits. Funds held under any form of joint ownership valid under applicable state law are eligible for deposit insurance up to $250,000 per owner, in accordance with FDIC rules.

Your funds become eligible for deposit insurance immediately upon placement in your deposit accounts. Generally, any accounts or deposits (including certificates of deposit issued by UBS Bank, UBS Cash Reserve deposits, and deposits held through the UBS Deposit Sweep Program) that you maintain directly with UBS Bank, or through an intermediary (such as UBS Financial Services Inc.) in the same insurable capacity in which the deposits in the deposit accounts are maintained, will be aggregated with the deposits in your deposit accounts for purposes of calculating the maximum insurance amount.

Note that if you hold multiple securities accounts with UBS Financial Services Inc. in the same insurable capacity that sweep available cash balances through the bank sweep programs, once cash in those securities accounts exceeds $250,000 in the aggregate (per insurable capacity), then your funds on deposit with UBS Bank will exceed FDIC insurance coverage limits.

**You are responsible for monitoring the total amount of deposits that you have with UBS Bank in order to determine the extent of deposit insurance coverage available to you. Visit the FDIC website at fdic.gov/deposit/deposits. (For more information about FDIC insurance, see footnote.[†])**

The FDIC, in turn, is backed by the full faith and credit of the US government. UBS Bank's most recent regulatory call report may be found on the FDIC website at fdic.gov.

**FedFis [5]**
FedFis is a financial institutions data analytics and strategy system, that tracks financial data and Merger and Acquisition activity on every bank and credit union in the US It uses a comprehensive proprietary rating system that considers factors such as liquidity, asset quality, capital adequacy and earnings to determine overall creditworthiness.

The FedFis rating system ranges from one to five, where one is the highest and five the lowest rating. Banks with a FedFis score above a 3.25 are considered riskier and may require approval before purchase.

As of March 31, 2026, UBS Bank had a FedFis rating of 2.05 with one being the best rating.

**UBS AG**
UBS Group AG is organized under Swiss law as an "Aktiengesellschaft," a corporation that has issued shares of common stock to investors. UBS Group AG is the parent company of the UBS Group. Its subsidiary, UBS AG, is authorized to engage in banking activity pursuant to the Federal Banking Law of Switzerland, and through its US branches as a foreign banking organization under federal US banking law.

You may obtain the current credit ratings of UBS AG, as assigned by Moody's and Standard & Poor's at moodys.com and standardandpoors.com. You will be asked to register before gaining access to the ratings information, but you will not be charged a fee.

**A series of safeguards that all work together**
Rest assured, you can count on UBS to protect your assets through an integrated series of safeguards. Your Financial Advisor is always there to answer your questions. For more information, you can visit ubs.com.

† **About FDIC insurance:** UBS Bank is a member of the Federal Deposit Insurance Corporation (FDIC). Funds on deposit at UBS Bank are eligible for FDIC insurance up to $250,000 (including principal and accrued interest) per depositor for each insurable capacity (e.g., single or joint) in which the deposit is held, provided that the requirements for deposit insurance have been met. For purposes of FDIC insurance, your deposits will be aggregated with your other deposit balances held in the same insurable ownership capacity at UBS Bank, including any UBS Bank issued certificates of deposit you own, UBS Cash Reserve deposits and deposits placed at UBS Bank through participation in the UBS Deposit Sweep Program or through sweep programs offered by third-party broker-dealers. FDIC deposit insurance only covers the failure of an insured bank. UBS Financial Services Inc. is not an FDIC-insured bank. You are responsible for monitoring the total amount of deposits at UBS Bank in order to determine the extent of FDIC deposit insurance coverage. For more information about FDIC insurance, please visit the FDIC website at fdic.gov/deposit/deposits.

[1] UBS Financial Services Inc. refers to UBS Financial Services Inc. and its subsidiaries.

[2] UBS Financial Services 14.70% CET1 capital ratio—UBS Financial Services reporting as of March 31, 2026.

[3] SIPC and the supplemental insurance do not protect against losses in the market value of investments and do not apply to certain financial assets held away from the broker-dealer (such as insurance products and UBS Bank deposits) or assets that are not securities, such as precious metals and other commodities, futures, foreign exchange, fixed annuities and life insurance, and certain investments, such as interests in limited partnerships that are not registered with the SEC.

[4] UBS Financial Services Inc. ("UBS FSI") offers various cash sweep options. Your eligibility for a particular sweep program is set forth in the *Account Agreements and Disclosures*, which may be viewed at ubs.com/accountdisclosures. Depending on the particular sweep program, the available cash balances in your securities account at UBS FSI will be automatically deposited into deposit accounts at: (I) UBS Bank ("UBS Bank"), a Federal Deposit Insurance Corporation ("FDIC") member bank that is affiliated with UBS FSI; and/or (ii) other participating banks whose deposits are FDIC insured ("Program Banks"). The current lists of Program Banks participating in the UBS Insured Sweep Program and the UBS FDIC-Insured Deposit Program are set forth in *UBS Bank Priority Lists*, which is available online at ubs.com/bankprioritylists. FDIC insurance protects funds that have been deposited at UBS Bank and the Program Banks, provided that the requirements for deposit insurance have been met. You are responsible for monitoring the total amount of deposits at each bank to determine the extent of FDIC deposit insurance coverage. FDIC deposit insurance only covers the failure of an insured bank. UBS FSI is not an FDIC insured bank. You can view the current yields for the sweep options at ubs.com/sweepyields. For more information about UBS cash sweep programs, please see the UBS Deposit Sweep Program Disclosure Statement or contact your Financial Advisor.

[5] As of March 31, 2026, FedFis.com.

**About UBS Bank**

"UBS Bank" is UBS Bank USA, N.A. Member FDIC, NMLS no. 947868. UBS Bank is a subsidiary of UBS Group AG.

**About UBS Financial Services Inc.**

The Resource Management Account (RMA), Business Services Account BSA and International Resource Management Account (IRMA) are brokerage accounts with UBS Financial Services Inc., a registered broker-dealer and a Member of the Securities Investor Protection Corporation (SIPC), which protects securities customers of its members up to $500,000 (including $250,000 for claims for cash). An explanatory brochure is available upon request or at sipc.org. These accounts provide access to cash management services through arrangements with affiliated banks and other third-party banks and provide access to insurance and annuity products issued by unaffiliated third-party insurance companies through insurance agency subsidiaries of UBS Financial Services Inc. UBS Financial Services Inc. is not a bank.

**Investment, insurance and annuity products: Not FDIC insured • Not a deposit • No bank guarantee • May lose value**

UBS Financial Services Inc. is a subsidiary of UBS Group AG. Member FINRA. Member SIPC.

**Important information about brokerage and advisory services.**
As a firm providing wealth management services to clients, UBS Financial Services Inc. offers investment advisory services in its capacity as an SEC-registered investment adviser and brokerage services in its capacity as an SEC-registered broker-dealer. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate arrangements. It is important that you understand the ways in which we conduct business, and that you carefully read the agreements and disclosures that we provide to you about the products or services we offer. For more information, please review the client relationship summary provided at **ubs.com/relationshipsummary**, or ask your UBS Financial Advisor for a copy.

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