



Rest assured at UBS Bank USA

How we safeguard your cash

If you have deposits at UBS Bank USA, you can feel confident that our bank is a safe place to hold your assets. A series of safeguards work together to give you greater confidence on the safety of your bank deposits. UBS Bank USA (Bank USA) is a wholly owned indirect subsidiary of the parent company UBS Group AG and is considered well-capitalized.

- Security and stability of Bank USA deposits with protection provided by:
 - The Federal Deposit Insurance Corporation (FDIC)
 - The capital strength of Bank USA. Bank USA remains well-capitalized with a Common Equity Tier 1 (CET1) capital ratio of 27.90% as of June 30, 2023 compared to the regulatory minimum requirement of 4.5% ¹
 - Fitch credit rating of A+/F1, as of June 30, 2023 ²
 - FedFis rating of 1.44 out of five, with one being the best rating, as of June 30, 2023 ³
- 160 years in demonstrated financial strength of our parent company, UBS Group AG, through ever-changing climates.
 - High credit rating among Fitch and Standard & Poor's ⁴
 - Capital strength of UBS Group AG as witnessed by BIS Basel III CET1 capital ratio of 14.40% as of June 30, 2023 ⁵

FDIC insurance

Insurance through the FDIC plays a big role in the protection of your cash at Bank USA. Balances in all types of deposit accounts at Bank USA are eligible for up to \$250,000 of FDIC insurance (including principal and accrued interest) for [each insurable ownership capacity](#) in which you hold the deposits. Examples of insurable ownership capacities include individual accounts, joint accounts, retirement accounts, revocable trust accounts, irrevocable trust accounts, business accounts, government accounts and employee benefit plan accounts.

For purposes of calculating the maximum FDIC insurance, the sum of all your deposits held in the same insurable ownership capacity are combined, including any certificates of deposit (CD), deposits through UBS Bank USA Core Savings (UBS Core Savings) and deposits through the UBS Bank Sweep Programs and UBS FDIC Insured Deposit Program. While you are responsible for monitoring your level of FDIC insurance, your Financial Advisor can help. You can also use the FDIC Calculator from the FDIC ([here](#)) to learn more about the FDIC coverage.

UBS cash sweep programs

Bank USA offers two sweep programs: UBS Bank Sweep Programs and the UBS FDIC Insured Deposit Program. Balances in deposit accounts in both programs are eligible for FDIC insurance but are not eligible for protection by the Securities Investor Protection Corporation (SIPC).

For many clients, available “cash” in their UBS Financial Services Inc. securities account is “swept” daily to these two programs. Generally, most retail and business accounts including Individual Retirement Accounts, UBS Business Services Accounts BSAs, individual and joint UBS Resource Management Accounts, sweep to bank deposit accounts through one of the UBS Bank Sweep Programs. For more information see the UBS Bank Sweep Programs section below and refer to the [UBS Bank Sweep Programs Disclosure statement](#). Retail trust accounts sweep to the UBS FDIC Insured Deposit Program.

Please note that certain accounts such as 403(b) plans, qualified pooled plans and corporate cash management accounts will sweep into a sweep Money Market Fund (MMF). Sweep MMFs are not insured by the FDIC but are covered by SIPC. Also, certain accounts sweep to deposit accounts at UBS AG, Stamford Branch for balances over \$250,000 (or \$500,000 for joint accounts).

Sweep deposits held at UBS AG, Stamford Branch are not insured by the FDIC, SIPC or any governmental agency of the United States, Switzerland or any other jurisdiction. They are obligations of the UBS AG Stamford Branch only, and are not obligations of Bank USA or of any of its other affiliates. Therefore, they are subject to the creditworthiness of UBS AG. In the unlikely event of the failure of the UBS AG Stamford Branch, you will be a general unsecured creditor of UBS AG.

UBS Bank Sweep Programs

There are three sub-programs available: the UBS Deposit Account Sweep Program (the Deposit Program), the UBS Business Account Sweep Program (the Business Program) and the UBS Insured Sweep Program (UBS-ISP). The program available to you will be based upon your eligibility. If you are enrolled in the Deposit Program or Business Program, free cash balances will be automatically swept daily to a deposit account at Bank USA and become eligible for FDIC insurance (up to applicable limits).

If you are enrolled in the UBS-ISP, free cash balances in your UBS account will automatically be swept daily to a deposit account at Bank USA up to a "Deposit Limit," which is \$249,000 for individuals (\$498,000 for joint accounts). If you have a retail (individual or joint), retirement or business account, any additional free cash balances are swept into one or more deposit accounts at up to 15 FDIC-insured banks (each a Bank), each up to the Deposit Limit, in the order in which the Banks appear on your [Bank Priority List](#) (Priority List). Bank USA will be the first Bank on each Priority List for a total of up to 16 Banks in the Priority list. The UBS-ISP makes available up to \$3.984 million for individuals, retirement accounts and business accounts (\$7.968 million for joint accounts)—the Program Limit—of potential FDIC insurance coverage, subject to certain limitations. The number of banks in the Priority List and, therefore, potential FDIC insurance coverage are subject to change at any time.

UBS FDIC Insured Deposit Program

Retail trust accounts are eligible for the UBS FDIC Insured Deposit Program, in which free cash balances in the UBS account are automatically swept daily into deposit accounts at Bank USA up to a "Deposit Limit," which is \$249,000 for individuals (\$498,000 for joint accounts), and any additional free cash balances are swept into one or more deposit accounts in up to 10 different FDIC-insured banks, each up to the Deposit Limit, in the order in which the Banks appear on your [Priority List](#). Bank USA will be the first Bank on each Priority List. The UBS FDIC Insured Deposit Program makes available up to \$2.49 million for individuals (\$4.98 million for joint accounts)—the Program Limit—of potential FDIC insurance coverage, subject to certain limitations. Free cash balances over \$2.49 million (\$4.98 million for joint accounts) will sweep without limit to deposit accounts at Bank USA. The number of banks in the Priority List and, therefore, potential FDIC insurance coverage are subject to change at any time.

Examples of how maximum FDIC insurance for the UBS Insured Sweep Program and the UBS FDIC Insured Deposit Program add up

FDIC separate insurable capacities (account types)	Client's current Bank USA holdings	Maximum potential FDIC coverage per bank (FDIC rules)
Mary, single account	<ul style="list-style-type: none"> – UBS-ISP: \$3,984,000 – \$249,000 at Bank USA – \$3,735,000 at external banks – UBS Bank USA CDs: \$250,000 – Total at Bank USA: \$499,000 – Total at external banks:* \$3,735,000 	<p>\$250,000 per owner = \$250,000 \$3,735,000 insured at external banks</p> <p>Total insured at Bank USA = \$250,000 Total uninsured at Bank USA = \$249,000</p>
Mary and John, joint account	<ul style="list-style-type: none"> – UBS Core Savings: \$1,000,000 – UBS-ISP: \$7,968,000 – \$498,000 at Bank USA – \$7,470,000 at external banks – Total at Bank USA: \$1,498,000 – Total at external banks:* \$7,470,000 	<p>\$250,000 per owner = \$500,000 \$7,470,000 insured at external banks</p> <p>Total insured at Bank USA = \$500,000 Total uninsured at Bank USA = \$998,000</p>
Mary, retirement account	<ul style="list-style-type: none"> – UBS Core Savings: \$500,000 – UBS Bank USA CDs: \$500,000 – UBS-ISP: \$3,500,000 – \$249,000 at Bank USA – \$3,251,000 at external banks – Total at Bank USA: \$1,249,000 – Total at external banks: \$3,251,000 	<p>\$250,000 per owner = \$250,000 \$3,251,000 insured at external banks</p> <p>Total insured at Bank USA = \$250,000 Total uninsured at Bank USA = \$999,000</p>
Mary, business account (LLC)	<ul style="list-style-type: none"> – UBS Bank USA CDs: \$500,000 – UBS-ISP: \$3,500,000 – \$249,000 at Bank USA – \$3,251,000 at external banks – Total at Bank USA: \$749,000 – Total at external banks: \$3,251,000 	<p>\$250,000 per owner = \$250,000 \$3,251,000 insured at external banks</p> <p>Total insured at Bank USA = \$250,000 Total uninsured at Bank USA = \$499,000</p>
Mary and John, revocable retail trust account with two beneficiaries <i>[Example can also be used for POD (Payable on Death**) and ITF (in trust for) accounts.]</i>	<ul style="list-style-type: none"> – UBS Core Savings: \$1,000,000 – UBS Bank USA CDs: \$1,000,000 – UBS FDIC Insured Deposit Program: \$1,000,000 – \$249,000 at Bank USA – \$751,000 at external banks – Total at Bank USA: \$2,249,000 – Total at external banks:*** \$751,000 	<p>\$250,000 for each unique beneficiary per owner = \$1,000,000 \$751,000 insured at external banks</p> <p>Total insured at Bank USA = \$1,000,000 Total uninsured at Bank USA = \$1,249,000</p>
Total household	<p>Total in Bank USA = \$6,244,000 Total in external banks through UBS FDIC Insured Deposit Program and UBS-ISP = \$18,458,000</p>	<p>Total FDIC insurance through Bank USA = \$2,250,000 Total uninsured at Bank USA = \$3,994,000</p>

* The UBS-ISP is the sweep option available to individuals; eligible retirement accounts; custodial accounts (if none of the beneficiaries is a business entity); business entities such as corporations, partnerships, limited liability companies, associations and business trusts; nonprofit organizations; estates; revocable and irrevocable trusts owned by US residents (if one or more of the beneficiaries is a business entity); and trusts owned by non-US residents.

** Payable on Death (POD) can also be referred to as Transfer on Death (TOD).

*** The UBS FDIC Insured Deposit Program is available to any domestic account owned by a revocable or irrevocable trust, in which all beneficiaries consist of individuals and/or nonprofit organizations. For more information, please review the [UBS FDIC Insured Deposit Program Disclosure Statement](#).

FedFis Rating³

In addition to eligibility for FDIC Insurance, UBS Bank USA has a 1.44 FedFis rating as of June 30, 2023. 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.

FedFis is a financial institutions data analytics and strategy system, which tracks financial data and M&A 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.

Risks for cash held at Bank USA

All of the FDIC-insured banks in the [Priority Lists](#) of our UBS FDIC Insured Deposit program and the UBS-ISP must remain well-capitalized. Any banks in the [Priority List](#) that are not well capitalized are removed from the program. Under federal law uninsured depositors have a preference over the claims of all other creditors even if a bank were to fail. Cash held at Bank USA above the FDIC limit carries limited credit risk due to the high credit quality of Bank USA.

Frequently Asked Questions:

– I'm concerned about how the financial markets may affect my Bank USA account.

- Sweep and UBS Core Savings have no direct market risk.
- CDs have no market risk if held to maturity. However, if you are able to sell your CD prior to maturity, the price you receive will reflect prevailing market conditions and your sales proceeds may be less than the amount you paid for your CD.

– Will I be able to access my cash?

- Sweep and UBS Core Savings deposits have minimal liquidity risk based on strength of Bank USA's CET1 capital ratio, but may have terms and conditions for withdrawals.
- CDs are most suitable for purchasing and holding to maturity. Our affiliate UBS Financial Services Inc. may maintain a secondary market in the CDs, though is not obligated to do so and any price will reflect prevailing market conditions as discussed above.

To learn more, review the disclosure statements available on ubs.com/sweepyields.

Questions

UBS deeply values the trust you place in us and our ability to help you grow and protect your assets. You can feel confident that Bank USA is a safe place to hold your assets. To learn more, please review the [UBS—A partner you can count on Factsheet](#).

¹ 27.90% CET1 capital ratio—Bank USA reporting as of June 30, 2023.

² Source: [fitchratings.com/entity/ubs-bank-usa-88480260](https://www.fitchratings.com/entity/ubs-bank-usa-88480260).

³ Source: FedFis.com—FedFis is a financial institutions data analytics and strategy system, which tracks financial data and M&A 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.

⁴ UBS Credit Ratings—ubs.com/global/en/investor-relations/investors/bondholder-information/ratings.

⁵ 14.40% CET1 capital ratio—UBS Financial Services Inc. reporting as of June 30, 2023.

This material has been prepared for informational purposes only and is not an offer to buy or sell, or a solicitation to buy or sell, a CD or to participate in any trading strategy. The CDs discussed may not be suitable for all investors and will depend on individual investors' circumstances and objectives. You should review the Certificates of Deposit Disclosure Statement, which is available from your Financial Advisor.

For more information about FDIC insurance, please visit the FDIC website at [fdic.gov/deposit/deposits](https://www.fdic.gov/deposit/deposits).

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](https://www.sipc.org). The RMA and Business Services Account BSA accounts provide access to banking services and products 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.

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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