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Discretionary Programs

Portfolio Management Program (PMP)

Advisor Allocation Program (AAP)

Separately Managed Accounts Programs

ACCESS

Managed Accounts Consulting (MAC)

Unified Managed Accounts Program

UBS Strategic Wealth Portfolio (SWP)

Non-Discretionary Advisory Programs

UBS Strategic Advisor

Personalized Asset Consulting and Evaluation (PACE)

PACE Multi Advisor Program

PACE Select Advisors Trust

Portfolio Advisory Programs

UBS Consolidated Advisory Program (UBS-CAP)

UBS Institutional Consulting Program (IC)

Alternative Investments Advisory Program

UBS Consolidated Advisory Program Select (CAP Select)

This Form ADV disclosure brochure provides information about the qualifications and business practices of UBS Financial Services Inc. and our retail and institutional wrap fee and advice-only investment advisory programs that you should consider before becoming a client of any of these programs.

If you have any questions about the content of this brochure, please contact us at 888-526-7454. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about UBS Financial Services Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that registration as an investment adviser does not imply a certain level of skill or training.

This Form ADV Disclosure Brochure applies to all of your accounts at UBS Financial Services Inc. established in the Programs described in this Brochure, including any advisory accounts you may open in the future. We will not provide another copy of the Form ADV Disclosure Brochure when you establish new advisory accounts unless there is an updated version or there are material changes to the document we originally provided to you. Annually we will provide you with a copy of our updated Form ADV Disclosure Brochure or a summary of material changes from the brochure previously provided to you.

Please retain all these documents for future reference as they contain important information if you decide to add services or open new advisory accounts with our Firm. Our Client Relationship Agreement, Disclosure booklet and other related documents are available at **ubs.com/accountdisclosures** or by calling your Financial Advisor. **You may obtain a copy of the current Form ADV Disclosure at any time by contacting your Financial Advisor.**

Item 2. Material Changes

This section describes the material changes to our Wrap Fee Programs Form ADV Disclosure Brochure since the amendment of our Form ADV on March 31, 2025.

Item 4. Services, Fees and Compensation has been revised as follows:

Item 4.B (Advisory Programs: Fee schedules, Minimum Investments and Minimum Annual Fees) has been updated to reflect that the minimum account opening size for the UBS Consolidated Advisory Program (CAP) and UBS Consolidated Advisory Program Select (CAP Select) will be reduced from $10,000,000 to $5,000,000 on or about February 1, 2026.

Item 4. B. 1 (Your Program Fee; Services Included in Your Program Fee); Item 5 Account Requirements and Client Types, Item.B.2 (Investment strategies; Eligible and Ineligible Assets), Single Share Class.

Change to Overlay Manager for Strategist Models.

The Strategist Models are currently managed by a third-party Overlay Manager. In the first calendar quarter of 2026, we anticipate changing the Overlay Manager for Strategist Models to our affiliate UBS Asset Management. Impacted clients will be notified of the change, the impact on their accounts as well as the effective date of the change. While the investment objectives of the strategies, investment advisory fees and investment restrictions will remain the same, clients who currently delegate proxy voting authority to the Overlay Manager will instead delegate authority to Institutional Shareholder Services, unless they change their election. Clients may also change their investment strategy selection and not invest in the Strategist Models. Accounts enrolled in the Strategist Models on the effective date of change will be converted to be managed by UBS Asset Management as Overlay Manager.

UBS Financial Services Inc. and UBS Asset Management both are wholly owned subsidiaries of UBS Group AG. This change is the result of a strategic initiative between UBS Financial Services and UBS Asset Management which is expected to be economically beneficial to both entities and entails a multi-phase conversion to a Model Delivery structure for many SMA strategies.

UBS Asset Management has extensive experience in discretionary asset management. Acting as an Overlay Manager within a Model Delivery structure, however, represents a new and developing business line for UBS-AM. UBS AM's business plans, resources, trading practices and organizational framework have been thoroughly reviewed to confirm their ability to provide the expected services in a manner consistent with clients' best interest. However, it is important to note that this is a new business activity for UBS AM and it does not yet have the same depth of experience in overlay management as other entities with more established practices, including the current third-party Overlay Manager.

By selecting UBS Asset Management as Overlay Manager we have a conflict because the fee paid to our affiliate as Overlay Manager is less than that paid to the third-party Overlay Manager resulting in a cost savings to UBS Financial Services and a revenue increase to our affiliate UBS Asset Management. The Overlay Fee paid to UBS Asset Management is subject to breakpoints and decreases as assets under management increase.

In addition, as part of the strategic initiative between the entities, UBS Financial Services will pay UBS AM a reduced fee for SMA Advantage strategies as compared to the fees it pays third party SMA managers resulting in additional cost savings to UBS-FS.

Proprietary SMA Premium Fees in Discretionary Programs: the discussion of affiliated or proprietary SMA Advantage strategies that charge a Premium Services Fee has been revised to state that they are not available to (1) Retirement Plan clients enrolled in the IC Program with a Limited Power of Attorney for Financial Advisor Discretion Services (2) are available in AAP and CAP with Limited Discretion but the premium fees are waived for ERISA / IRA clients in AAP and CAP with Limited Discretion.

Discount Sharing: Financial Advisors receive less than their standard payout when accounts are priced below certain levels. This creates an incentive for Financial Advisors to price accounts at or above those levels. If a Financial Advisor wishes to discount the UBS Investment Advisory Fee below certain levels, they may have the opportunity to do so but may earn reduced compensation associated with the discount.

In the March 31, 2025 update to the Form ADV, *Item 5 Account Requirements and Client Types, Item.B.2 (Investment strategies; Eligible and Ineligible Assets),* was revised to disclose a change in Financial Advisor compensation whereby 12b-1 fees paid by legacy A, B, C or other share classes of mutual funds in UBS brokerage accounts ("Legacy Shares") are retained by UBS and no longer shared with Financial Advisors unless certain conditions apply. This change creates a conflict of interest as your Financial Advisor has an incentive to recommend alterative solutions to the Legacy Share holdings such as a commission-based investment product, or an advisory account. The change does not apply to trails from offshore funds and 12b-1 fees paid from

interval funds, mutual funds in 529 plan accounts, simple IRA plus accounts, and pooled income funds.

In the current ADV filing, the Discount Sharing and Single Share Class sections have been revised to reflect that, effective January 1, 2026, Financial Advisors may request an advisory discount sharing waiver for Legacy Shares transferred from brokerage to advisory accounts. The waivers will be effective for up to one year from the approval date. An account must hold at least 20% in Legacy Shares to qualify for a waiver. Waivers are also available for Legacy Shares transferred to advisory accounts during 2025.

Discount Sharing waivers provide Financial Advisors with flexibility to price advisory accounts at lower fee levels which can benefit clients. They also incentivize advisors to recommend the transfer of the Legacy Shares from brokerage to advisory programs to offset future compensation reductions from changes to 12b-1 fee payments. Once the waivers expire, standard discount sharing guidelines will apply. Financial Advisors will share in the discount unless fees are increased with client consent.

Clients may elect to continue holding their legacy share class position(s) in their brokerage account or redeem the position(s) and purchase a suitable alternative without incurring the advisory program fee.

Section E.1 (Description of our Discretionary Programs; UBS Advice Portfolio Program)

UBS Advice Portfolio Program: The Form ADV Brochure has been revised to remove the description of, and all references to, the UBS Advice Portfolio Program which was closed to enrolment for new clients or new accounts on March 21, 2025, and terminated in June 2025. Unless clients selected a different strategy, UBS Advice Portfolio accounts transitioned to a similar UBS House View multi-asset portfolio in the ACCESS program.

Item 6.D.5 Portfolio Management Selection and Evaluation; Advisory Services; Methods of Analysis, Investment Strategies and Risk of Loss has been revised to describe process(es) applicable to the Chief Investment Office research.

Item 11. B. 3 Additional Sources of Compensation in Connection with Investments in Advisory Accounts; Mutual Fund Revenue Sharing Compensation has been revised to update the current rates, describe the revenue sharing from offshore funds and planned increases for the minimum fees applicable to some contracts. Material changes include:

- The UBS RMA Government Money Market Fund and UBS Liquid Assets Government Fund are money market funds used as default sweep options for uninvested cash held in certain accounts which are not eligible for the UBS Bank USA deposit program. Our affiliate, UBS Asset Management, pays us revenue sharing up to 0.12% of the average daily net assets in the UBS RMA Government Money Market Fund which serves as the sweep fund for certain non-retirement accounts. No revenue sharing is paid on the UBS Liquid Asset Government Fund, the sweep fund used for retirement accounts.

- Some mutual fund families are subject to a minimum annual payment which, in some instances, may result in a fee that exceeds the percentages described above. These minimums range from $10,000 to $75,000, but are most often $75,000. We expect to begin increasing this rate to require a minimum of $100,000 starting January 1, 2026.

Revenue Sharing for Offshore funds

Brokerage Assets: The revenue sharing payments UBS receives from mutual funds in brokerage accounts represents a portion of the total fee (55% to 65% of the fund's management fee with 65% being the most commonly paid rate) received from the funds less payments paid to Financial Advisors as trails, The revenue sharing percentage received by UBS varies depending on the total fee received by UBS less the trail payments to Financial Advisors.

Advisory Assets: Revenue sharing for advisory assets invested in offshore funds is generally based on either 25% of the management fee or 0.10% of the assets in our advisory programs.

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Definitions. References in this brochure to:

"**Account**", "**account**", "**Investment Advisory Account**" or "**Advisory Account**" means your advisory account(s) established in the advisory programs described in this Brochure.

"**Advisory Programs**" or "**Programs**" as used in this Brochure means our ACCESS, Portfolio Management Program, Managed Accounts Consulting, UBS Strategic Advisor, UBS Strategic Wealth Portfolio, Advisor Allocation Program, PACE programs, UBS-CAP, CAP Select, and IC.

"**Agreement**" means the Advisory Relationship Agreement.

"**Asset Allocation**" refers to the asset allocation selected for your program account.

"**UBS-CAP Portfolio**" means, collectively, the eligible Advisory Accounts you enroll in UBS-CAP and, in limited circumstances, accounts you hold at other financial institutions that you elect to include in UBS-CAP.

"**CAP Select Portfolio"** means the 100% diversified alternative investments portfolio you hold in the CAP Select Program.

"IC Account" means an IC Program-specific account held at UBS and opened under the UBS Institutional Consulting Program ("IC Program").

"IC Held Away" means a non-discretionary Account in the IC Program where the client elects to hold the assets away from UBS.

"IC Portfolio" means, collectively, the eligible Advisory Accounts you enroll in IC and/or the accounts you hold at other financial institutions that you elect to include in IC.

"**Model Manager**" means SMA Managers who provide their investment strategy models to the Overlay Manager hired by UBS to implement such models.

"**Overlay Manager**" means the investment adviser(s) hired by UBS to implement the models provided by Model Managers.

"**Plan**" means employee benefit plans qualified under Section 401(a) or Section 403(b)(7) of the Internal Revenue Code of 1986, as amended, or under any other employee retirement or welfare plan subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA) or a defined benefit employee benefit plan for a municipal entity or a nonqualified retirement plan.

"**Portfolio Based Advisory Programs**" means the UBS Consolidated Advisory Program or UBS-CAP and the UBS Institutional Consulting Program or IC, advisory programs in which our services are provided to you on a portfolio level instead of individually at each Account level for certain eligible UBS Advisory Accounts (and, in certain circumstances, accounts you hold at other financial institutions).

"**Program Assets**" means the assets you invest through our Advisory Programs.

"**Program Fee**" means, collectively, the UBS Investment Advisory Fee and if applicable, given your Program selection, the SMA Manager Fee.

"**Questionnaire**" or "**Risk Profile Questionnaire**" means the Account Risk Profile Questionnaire you complete to determine your investment needs, objectives and risk tolerances for the assets being invested in ***each*** Advisory Account. For UBS-CAP and IC, your Questionnaire will define the risk tolerances and objectives that you have for ***all*** your eligible assets and accounts included in the UBS-CAP Portfolio or the IC Portfolio as a whole.

"**Retirement Accounts**" include all types of Individual Retirement Accounts including SEPs, SIMPLEs, Coverdell Education Savings Accounts, and "Plans".

"**SMA Manager**" means your ACCESS, MAC, AAP, SWP, or IC separately managed account investment manager, Overlay Manager or Model Manager, as applicable.

"**SMA Manager Fee**" means the separately managed account investment management fee payable to your ACCESS, MAC, SWP, AAP, IC investment manager or, as applicable, Model Manager (if any) in our Programs.

"**Share Class Conversion**" refers to the conversion of mutual fund, offshore fund and/or alternative investment brokerage share classes to advisory/institutional share classes which are eligible and billable in certain Programs.

"**Single Share Class(es)"** refers to the single share class of mutual funds with no front-end loads, back-end loads or 12b-1s offered for purchase in our brokerage platform effective January 2020 subject to a per-transaction commission.

"**UBS**" unless otherwise noted, means UBS Financial Services Inc.

"**UBS Investment Advisory Fee**" means the portion of the Program Fee payable to UBS for its investment advisory services.

"UBS Portfolio Manager" means your Portfolio Management Program Financial Advisor.

About UBS Financial Services Inc.

UBS Financial Services Inc. ("UBS") is one of the nation's leading securities firms, serving the investment and capital needs of individual, corporate and institutional clients. We are a member of all principal securities and commodities exchanges in the United States including the New York Stock Exchange ("NYSE"). Our parent company, UBS Group AG, is a global, integrated investment services firm and one of the world's leading banks. We are registered to act as a broker-dealer, investment adviser, and futures commission merchant.

As a registered investment adviser, we complete Part I of Form ADV, which contains additional information about our business and our affiliates. This information is publicly available through our filings with the U.S. Securities and Exchange Commission (SEC) at *www.adviserinfo.sec.gov*.

This information is current as of the date of this Brochure and is subject to change at our discretion.

Conducting Business with UBS: Investment Advisory and Broker Dealer Services

Important distinctions between brokerage and advisory services. As a wealth management firm providing services to clients in the United States, UBS Financial Services Inc. is registered with the U.S. Securities and Exchange Commission (SEC) as a broker-dealer and an investment adviser, offering both investment advisory and brokerage services.[1]

Our clients work with their Financial Advisors to determine the services that are most appropriate given their financial goals and circumstances. Based on the services you request, we can act as an investment adviser, as a broker-dealer, or as both. Most of our Financial Advisors are qualified and licensed to provide both brokerage as well as investment advisory services.

You may obtain information about your Financial Advisor, their licenses, educational background, employment history, and if they have had any problems with regulators or received serious complaints from investors through the FINRA BrokerCheck service available from FINRA at *http://www.finra.org*, or from the Securities and Exchange Commission at *www.adviserinfo.sec.gov*.

In addition, some of our Financial Advisors hold educational credentials, such as the Certified Financial PlannerTM (CFP®)[2] designation. Holding a professional designation typically indicates that the Financial Advisor has completed certain courses or continuing education. However, a Financial Advisor's professional designation does not change the obligations of UBS as a firm in providing investment advisory or brokerage services to you.

It is important to understand that investment advisory and brokerage services are separate and distinct and each is governed by different laws and separate arrangements that we may have with you. The specific services we provide, our relationship with you and our legal duties to you in each arrangement are described in our applicable contracts with you.

This section summarizes the key distinctions between brokerage and investment advisory services and our respective duties and obligations. We encourage you to review this information carefully, along with your applicable contracts, and discuss it with your Financial Advisor

Our services as an Investment Adviser and Relationship with You

We believe that professional investment advisory programs can help investors pursue their investment objectives. However, the fees and expenses associated with advisory services may exceed those that apply to brokerage services. Advisory programs are not for everyone. Please speak with your Financial Advisor for additional information.

- In our capacity as an investment adviser under the Investment Advisers Act, we offer a number of investment advisory services and programs, including financial planning for a fee, discretionary investment management and non-discretionary investment advisory programs, and advice on the selection of investment managers, mutual funds, exchange traded funds and other securities offered through our investment advisory programs.

- The fees for these services and programs are calculated as a percentage of assets in the account or a flat or annual fee and are charged on an ongoing basis.

- When we act as your investment adviser, we will enter into a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our specific obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure which provides detailed information about, among other things: the program(s) you select; the advisory services we provide; our fees, personnel, other business activities and financial industry affiliations; and conflicts between our interests and your interests.

Our Responsibilities as an Investment Adviser

When you participate in one of our investment advisory programs, we are considered to have a fiduciary relationship with you under the Investment Advisers Act of 1940. Our responsibilities include the obligation to:

- Disclose: Disclose all material facts, including conflicts between our interests and your interests, to you.
- Inform: Inform you if we or our affiliates receive additional compensation from you or a third-party as a result of our relationship with you.
- Seek best execution: Where we direct trading, to seek best execution of your securities transactions.
- Obtain consent for principal trades and agency cross trades: Obtain your informed consent after providing appropriate disclosure before engaging in transactions with you for our own account or that of an affiliate (principal trades) or transactions where we or our affiliates act as broker for parties on both sides of the transactions.
- Treat you fairly: Treat you and our other advisory clients fairly and equitably, without unfairly favoring one client to

[1]Examples of our advisory programs and services include our fee-based financial planning services and our ACCESS, Portfolio Management Program, Managed Accounts Consulting, UBS-CAP, UBS Institutional Consulting, Retirement Plan Consulting Services Program, UBS Strategic Advisor, UBS Strategic Wealth Portfolio, Advisor Allocation Program, and PACE programs. Examples of our brokerage accounts include Resource Management Account® and the International Resource Management Account.

[2]Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, Certified Financial Planner™ and federally registered CFP (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

the disadvantage of another.

- Act in your best interest: Act in what we reasonably believe to be your best interests and in the event of a conflict of interest, place your interests before our own.
- Make informed recommendations: Provide investment advice and recommendations that we reasonably determine are suitable for you given your individual financial situation, investment objectives and goals (based on information you provide) and that are consistent with any restrictions you have placed on us.
- When we provide investment advisory services, our fiduciary status under the federal retirement laws depends on the nature of the specific services we have agreed to provide to you. Please see your applicable agreement and related disclosures for more information.

Ongoing advice and monitoring

If specified in your client agreement:

- We will provide advice and management services (as applicable) on an ongoing basis.
- We will also monitor your account investments (including cash and cash equivalents) and provide investment recommendations on an ongoing basis.

Conflict of interest—asset-based compensation

- When we act as your investment adviser, we and our representatives earn more when you invest more in your advisory account, and we earn the same advisory fee rate regardless of how frequently you trade. We also receive payments from third parties, including the investment products in which you invest and their sponsors. These third-party fees are disclosed in this Form ADV Brochure and the investment product's prospectus and other offering documents.
- This creates an incentive for us to recommend that you:
  - Increase the assets in your advisory accounts to increase our fees;
  - Invest in investment products that result in greater compensation to us (including products and services provided by us and our affiliates or those for which we receive a portion of product-level fees that you pay); and
  - Maintain cash balances in a sweep investment.

Conflict of Interest—principal trades and underwriting

- We may trade with you for our own accounts—a practice known as **"principal trading."** This means that we can buy investments from you, or sell them to you, including securities that we buy in bulk (or in an underwriting/IPO) and then distribute to individual investors. But, we can only do this upon **written disclosure and with your specific consent to each transaction**.
- When we trade on a principal basis, we earn compensation by marking up the price of securities we sell to you, or by marking down the price of securities we buy from you, and from discounts and selling concessions for underwritings and IPOs.

This creates a UBS **firm-level incentive** to:

  - Offer securities that we have in inventory or where we are participating in an underwriting syndicate; and
  - Execute your trade against our proprietary accounts

- Types of securities commonly traded on a principal basis include fixed income securities, IPOs, certain closed-end funds and municipal securities. Notwithstanding the foregoing, principal trading is subject to certain restrictions and generally not permitted in the Programs described in this Brochure.

This Form ADV Disclosure Brochure describes the various conflicts of interests, compensation practices, and limitations of our Advisory Programs. It is important that before you decide to enroll in an Advisory Program you review this Form ADV carefully and understand these conflicts of interest and limitations, including but not limited to that you will pay a separate ongoing asset-based fee for our services.

The Form ADV Disclosure Brochures for all of our advisory programs can be found at ubs.com/advisorydisclosures. If you have any questions or concerns, please speak with your Financial Advisor.

Additional information about the Firm's brokerage business, related conflicts of interest and compensation practices is available in the "Your Relationship with UBS" disclosure which is available online at *ubs.com/relationshipwithubs.*

If you do not want to pay for fee-based ongoing investment advice and monitoring through an investment advisory program, then consider opening a brokerage account with us instead.

Termination of your advisory account or agreement will end our fiduciary relationship with you under the Investment Advisers Act as it pertains to the terminated account or services and, depending on the terms of your investment advisory agreement with us, will cause your account to be converted to, and designated as, a brokerage account.

When we provide "investment advice" or recommendations (as defined in Department of Labor regulation section 2510.3-21) on a non-discretionary basis to you regarding your covered retirement accounts, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money or are otherwise compensated creates certain conflicts with your interests, so when recommending investments where UBS would increase its compensation (including recommendations of an affiliate) we may operate under the US Department of Labor's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02"), where relevant, a special rule that requires us to act in your best interest and not put our interest ahead of yours when we provide investment advice or recommendations as a fiduciary.

Under PTE 2020-02, when providing individualized investment advice and recommendations regarding your retirement accounts that is based on our review of your particular needs and individual circumstances, we must also:

- Meet a professional standard of care (give prudent advice);
- Not put our financial interests ahead of yours (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Limitations.

The retirement laws limit the types of products and services we can offer in your retirement account. This fiduciary acknowledgment

does not create or modify a contractual obligation or fiduciary status under state law or federal laws other than retirement laws. Not all services or activities we provide to your retirement account(s) or interactions with you are subject to the provisions above. For example, we are not fiduciaries, and you should not expect us to be acting as a fiduciary with respect to:

- Communications consisting of general information and education about the financial markets, asset allocations, financial planning illustrations and scenarios or the advantages and risks of particular investments;
- General information and educational materials we may provide regarding options and alternatives that should be considered when deciding whether to roll over or transfer retirement accounts to UBS;
- Advice or recommendations we provide with respect to accounts that are not retirement accounts (this includes taxable accounts);
- Transactions you enter into that are unsolicited or self-directed (i.e. where UBS does not provide a recommendation);
- Advice or recommendations we provide on a one-time or episodic basis;
- Advice or recommendations that are not based on our review of your individual needs or your specific circumstances; and Advice or recommendations that you execute at another financial institution where we do not receive compensation.

Our Services as a Broker-Dealer and Relationship with You

Although a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone. As a brokerage client, you need to understand and agree to our service limitations and conflicts.

- As a full-service broker-dealer, our services are not limited to taking customer orders and executing securities transactions. In our capacity as a broker-dealer, we provide a variety of services relating to investments in securities, including investment research, trade execution and custody services. We may also make recommendations to our brokerage clients about whether to buy, sell or hold securities, and/or access banking-related services such as credit cards, mortgages, credit lines and margin for your accounts. We do not make investment decisions for you or manage your accounts on a discretionary basis. We will only buy or sell securities for brokerage clients based on specific directions from you.

- We receive **transaction-based compensation** for trades you decide to enter into, which includes commissions, administrative fees and compensation from third parties that are disclosed to you.

- Unlike how we charge for investment advisory services, **we do not charge or receive a separate fee for our advice or recommendations** and our recommendations are provided solely incidental to our brokerage services.

Our Responsibilities to You as a Broker-Dealer

When UBS acts as a broker-dealer, including when we recommend securities transactions and/or banking-related services in your account or make any recommendation on an account that has terminated investment advisory services, **UBS does not act as a registered investment adviser.**

When we act as your broker-dealer, we are subject to the Securities Exchange Act of 1934, the Securities Act of 1933, the rules of self-regulatory organizations such as the Financial Industry Regulatory Authority (FINRA), the rules of the New York Stock Exchange and applicable state laws. When you have a brokerage account with us, we have the following responsibilities:

- **Fairness obligation**: We have a **duty to deal fairly** with you. Consistent with our duty of fairness, we are obligated to make sure that the prices you receive when we execute transactions for you are reasonable and fair in light of prevailing market conditions and that the commissions and other **fees we charge you are not excessive.**
- Seek best execution: Where we direct trading, to seek best execution of your securities transactions.
- Suitability: We must have a reasonable basis for believing that any **securities recommendations we make to you are suitable and appropriate** for you, given your individual financial circumstances, needs and goals.
- Best interest: If you are an "individual wealth management client"[3] we must have a reasonable basis for believing that a recommendation of any securities transaction or investment strategy involving securities is in your best interest, without placing the financial or other interest of the firm or Financial Advisor ahead of your interests. As part of our best interest obligation, we must provide written full and fair disclosure of all material facts relating to the scope and terms of our relationship with you.
- Principal trading: **We are permitted to buy** securities from you or sell securities to you from our (or our affiliates) own inventory, known as **"principal trading"** and earn a profit on those trades. When we engage in principal trades, we disclose the capacity in which we acted on your trade confirmation, though we are not required to communicate this or obtain your consent in advance or to inform you of the profit earned on the trades. Absent special circumstances, **we are not held to the same legal standards that apply when providing investment advisory services to you**. Our legal obligations to disclose detailed information to you about the nature and scope of our business, personnel, fees, conflicts between our interests and your interests and other matters are more limited than when we are providing investment advisory services to you. Notwithstanding the foregoing, principal trading is subject to certain restrictions—and in many cases not allowed-- with respect to retirement plans subject to ERISA.
- **No monitoring:** We have no duty to provide ongoing recommendations or monitor your investments. We are not obligated to provide recommendations to you, or to update recommendations made previously, and not doing so should not be viewed as a recommendation to hold an investment.
- **Your responsibility:** You are responsible for independently ensuring that the investments in your accounts remain appropriate given your investment objective, risk tolerance, financial circumstances and investment needs.
- **Transaction-based compensation:** We receive transaction-based compensation for trades you decide to enter into, which includes commissions, administrative fees and compensation from third parties that are disclosed to you.

[3] "Individual Wealth Management Client" is a natural person, or the legal representative of a natural person, who receives a recommendation from UBS and uses it primarily for personal, family or household purposes. This disclosure does not create or modify any agreement, relationship or obligation between UBS (or your financial professional). Please consult your UBS agreements for all terms and conditions controlling your account and relationship with us.

– **No separate fee for advice:** Unlike how we charge for investment advisory services, we do not charge or receive a separate fee for our advice or recommendations and our recommendations are provided solely as incidental to our brokerage services.

Conflict of interest: Transaction compensation

– When we act as a broker-dealer, we are compensated by the **commissions and fees you pay us** as well as through **revenue we receive from third-parties** that often include the sponsors of investment products on our platform. Your Financial Advisor does not receive a portion of all of these amounts so that some conflicts apply at the Financial Advisor level and some apply only to UBS at the firm level.

Financial Advisor conflicts include incentives to recommend:

– Investments that result in greater compensation.
– That you trade more frequently.

UBS firm-level conflicts include incentives to:

– Offer products and services that we or our affiliates create.
– Offer products and services from companies that offer us revenue.
– Maintain a sweep program for uninvested cash balances using our affiliate bank or money market funds of our affiliates.
– Route trades to our affiliate for execution.

Conflict of interest: Principal trades and underwriting

– We may trade with you for our own accounts. This means that we can buy investments from you, or sell them to you, including securities that we buy in bulk or in an underwriting/initial public offering (IPO) and then distribute to individual investors.
– When we trade on a principal basis, we earn compensation by **marking up the price of securities** we sell to you, or **by marking down the price of securities** we buy from you, and from discounts and selling concessions for underwritings and IPOs. This creates a **UBS firm-level incentive** to:
– Offer securities that we have in inventory or where we are participating in an underwriting syndicate; and
– Execute your trade against our proprietary accounts.

Types of securities commonly traded on a principal basis include fixed income securities, IPOs, certain closed-end funds and municipal securities.

Item 4. Services, Fees and Compensation

A. About Our Investment Advisory Programs

This brochure describes our retail and certain institutional wrap fee and non-wrap fee investment Advisory Programs. We offer a variety of advisory services to address different investment needs, including:

Program type	Programs included
Discretionary Programs	Portfolio Management Program Advisor Allocation Program
Separately managed account (SMA) programs	ACCESS and Managed Accounts Consulting
Unified managed account program	UBS Strategic Wealth Portfolio
Non-Discretionary Advisory programs	PACE UBS Strategic Advisor
Portfolio Based Advisory Programs	UBS Consolidated Advisory Program Institutional Consulting
Alternative Investments Advisory	UBS CAP Select

We do not hold ourselves out as specializing in a particular type of advisory service or strategy. Instead, our Programs offer a broad variety of strategies, SMA Managers, asset allocations and features. In certain cases, the Advisory and consulting services available in our programs may be provided by Financial Advisors that are registered with companies that are affiliated with us.

These Programs offer advisory services which allow you to manage your account in a number of ways:

- You can delegate investment discretion to our Financial Advisors or UBS Asset Management
- You can access the discretionary investment services of SMA investment managers
- You can work with your Financial Advisor in those programs over which you retain investment discretion
- You can use any combination of the above

Generally, these Programs are designed for:

- Clients who want to implement a medium to long term investment plan
- Clients who seek and use the advice and guidance of an investment professional either in their self-directed accounts or by delegating management of their assets to a portfolio manager and/or SMA Manager
- Investors who prefer the consistency of fee-based pricing
- Clients who are looking for investment advice, custody, trading and execution services, and performance reporting in an all-inclusive account instead of accessing those services separately
- For CAP Select: clients who are looking for a diversified asset allocation of alternative investment vehicles
- The IC Program also provides consulting services to institutional clients who choose to custody their assets away from UBS. Under those circumstances, the consulting services are offered in a non-wrap fee relationship.

However, these programs may not be appropriate for clients with the following preferences:

- A short-term investment horizon
- A desire to maintain consistently high levels of cash or money market funds in their accounts
- Clients who want to maintain highly concentrated positions that will not be sold regardless of market conditions
- Investors who anticipate continuous withdrawals from their accounts.

Cash and Securities Concentration: Advisory Programs are not appropriate for clients who want to maintain a high level of cash and/or highly concentrated positions that will not be sold regardless of market conditions. If you hold high level of cash and/or highly concentrated positions in your Advisory Accounts, then you do so against our recommendation and with the understanding that the value of those securities will be included for purposes of calculating the Program fee, resulting in a higher fee to us. Cash in advisory accounts is automatically swept to sweep programs offered by our affiliated Bank. The interest you earn from the sweep is significantly lower than the advisory fee you pay to us.

You may hold excess cash or concentrated positions in a brokerage account without incurring the Program Fee. If your account continues to be outside of the cash and concentration guidelines over a specified period of time, then your account will be removed from the Program.

Concentrated equity positions may be held in Concentrated Equity Solutions ("CES") SMA strategy (See section F. 2. **Managed Accounts** (Managed Account Consulting Program for additional information).

Limitations of Product Offerings: While we offer an extensive list of investment options and SMA strategies, the offerings are limited to those approved for sale or recommendation at the Firm. We do not offer or recommend every SMA Manager, investment or strategy available in the industry.

There are important differences among these Programs in terms of services, structure and administration, the depth of research conducted on the managers available in the programs, Program Fees and the compensation that Financial Advisors receive. Please review this brochure carefully as you decide which program is appropriate for your investment needs.

In the future, we envision most of the Advisory Programs evolving to a "Unified Advisory Solution" (UAS). UAS will consolidate certain distinct Advisory Programs described in this Brochure and make these advisory options available in a single client account. If at that time, you have more than one Advisory Account with us, we may combine these accounts into the one Unified Advisory Solution account. We will provide prior written notice to you regarding these changes and how they would affect your Accounts, fees and the services we provide to you.

We offer other Advisory services not described in this brochure. If you would like more information, please ask your Financial Advisor for the Form ADV Disclosure Brochure for these programs and services: See Item 6, "*Section C* **Advisory Services**– *Advisory Business; Advisory Services*" for additional details.

B. Advisory Programs: Fee Schedules, Minimum Investments and Minimum Annual Fees

The following programs offer the flexibility to negotiate either a flat-fee or a tiered (break-point) fee schedule:

- ACCESS
- Managed Accounts Consulting (MAC)
- Portfolio Management Program (PMP)
- Institutional Consulting (IC)

Flat Fee Option: the agreed-upon annual fee is a fixed percentage of the assets in the Account. That percentage does not change as the value of your Account changes.

Tiered (Break-point) Fee Schedule: the negotiated fee, also a percentage of the assets, varies based on asset levels and changes as you increase or decrease assets in your account. Specific "break-points" for each asset level are defined in your Program application (the "Application"). You may request to have two or more eligible Advisory Accounts treated as related accounts to qualify for certain break-point discounts. Please discuss your options with your Financial Advisor. If you negotiated a discount to the UBS Investment Advisory Fee schedule, that discount will apply only to the break-point asset level (i.e., the asset level that qualifies you for reduced fees) indicated in your Application. As a result, your UBS Investment Advisory Fee and overall Program Fee may change in the future as you increase the assets in your account and trigger the breakpoints listed in your application.

Fixed Fees: The IC Program also permits fixed annual hard-dollar fees when IC services are provided on a non-discretionary basis and the assets are held away from UBS. With a flat hard-dollar fee, your fee remains the same dollar amount, regardless of changes in your assets.

All rates listed below indicate the maximum annual fees in each Program. These fees do not include management and administrative fees and expenses of pooled investment vehicles that may be held in the account.

DISCRETIONARY PROGRAMS

Program Name	**ADVISOR ALLOCATION PROGRAM**	**PORTFOLIO MANAGEMENT PROGRAM (PMP)**
Minimum Account Size	The minimum account opening size: $25,000. Will be higher when SMA sub-accounts are included in the Target Allocation and will depend on the SMA Managers' minimums. Some SMA strategies have different minimums in AAP and SWP than in the ACCESS or MAC Programs. SMA strategies in SWP/AAP have minimums ranging from $5,000 to $1,000,000	$25,000 in eligible assets
Fee Schedule Maximum Fee	UBS Investment Advisory Fee: All assets: 2.50% (**SMA Manager Fee is additional**) The Advisor Allocation Program has a "Blended Program Fee" that includes a UBS Investment Advisory Fee which applies to all assets in the Account and additional SMA Manager fees for the investment management services in the SMA sub-accounts. SMA Manager Fees vary depending on the strategy and manager(s) selected by your Financial Advisor.	All Assets and strategy types (Equity, Balanced and Fixed Income Accounts): 2.50% PMP Liquidity Portfolios: 1.00%
Minimum Annual Fee	No minimum annual fee	No minimum annual fee
SMA Manager's Fee (including Premium Services Fee)	The SMA Manager's Fee is in addition to the UBS Investment Advisory Fee. Not all strategies have an additional SMA Manager Fee. Fees are based on a percentage of assets under management and generally range from 0.00% to 0.50% for all accounts.	Not applicable
Fee Options	Asset-based fee	Asset-based fee
Automatic Rebalancing Options	Yes	No

SEPARATELY MANAGED ACCOUNTS PROGRAMS AND UNIFIED MANAGED ACCOUNTS PROGRAM			
Program Name	ACCESS	Managed Accounts Consulting (MAC)	Strategic Wealth Portfolio (SWP)
Relationship Type	Single contract, sub-advisory program. Client hires UBS-FS and authorizes UBS-FS to hire manager and make manager changes on client's behalf.	Dual contract, consulting program. Client hires UBS-FS as consultant and hires manager (directly) to manage the account.	A unified managed account (with discretionary (SMA-sub-accounts) and non-discretionary subaccounts) that offers separately managed accounts, mutual funds, and exchange traded funds (ETFs), within a single account. Separately managed accounts are sub-advised as in ACCESS.
Minimum Account Size	$25,000. Certain strategies have minimums from $5,000 to over $1,000,000	$100,000 or the manager's minimum (whichever is greater). $10,000,000 for MAC accounts held at an outside custodian, subject to limited exceptions.	The minimum account opening size: $25,000. Can be higher when SMA sub-accounts are included in the Target Allocation and will depend on the SMA Managers' minimums. Some SMA strategies have different minimums in SWP than in the ACCESS or MAC Programs. SMA strategies in SWP/AAP have minimums ranging from $5,000 to $1,000,000
Fee Schedule Maximum Fee	UBS Investment Advisory Fee: All assets and strategy types: 2.50% **(SMA Manager Fee is additional)**	UBS Investment Advisory Fee: All assets and strategy types: 2.50% **(SMA Manager Fee is additional)**	UBS Investment Advisory Fee: All assets: 2.50% **(SMA Manager Fee is additional)** The Strategic Wealth Portfolio Program has a "Blended Program Fee" that includes a UBS Investment Advisory Fee which applies to all assets in the Account and additional SMA Manager fees for the investment management services in the SMA sub-accounts. SMA Manager Fees vary depending on the strategy and manager(s) you selected.
Minimum Annual Fee	No minimum annual fee	No minimum annual fee	No minimum annual fee
SMA Manager's Fee (including Premium Services Fee)	The SMA Manager's fee is in addition to the UBS Investment Advisory Fee. Not all strategies have an additional SMA Manager Fee. Fees are based on a percentage of assets under management		
	Generally range from 0.00% to 0.50% for all accounts.	Fee is negotiated between the client and the manager. Generally range from 0.02% to 2.00% for all accounts.	. Generally range from 0.00% to 0.50% for all accounts.
Fee Options	Asset-based fee	Asset-based fee	Asset-based fee
Automatic Rebalancing Options	No	No	Yes

The ACCESS, SWP, AAP, MAC and IC programs offer some of the same SMA strategies for different SMA Manager fees. The amount of the fee paid to each SMA Manager is a function of that SMA Manager's investment style and the fee negotiated with the SMA Manager. This fee is negotiated either by UBS (in ACCESS, SWP, AAP, or by you in the MAC Program or in an IC Wrap Account however in IC with a Power of Attorney for Limited Financial Advisor Discretion, the SMA Manager fee for a MAC manager or IC Wrap account is negotiated by your Institutional Consultant. Depending on your asset level and ability to negotiate the investment management fee with the SMA Manager in the dual- contract structure of the MAC and IC programs, you may find that the single-contract structure in ACCESS, AAP and SWP provides a more cost-effective option or vice versa. In addition, based on the combination of our UBS Investment Advisory Fees and your SMA Manager's Fees, the overall Program Fee for your SMA account in MAC or IC may exceed 3% of the account value. ***Please review your options and overall costs carefully with your Financial Advisor before investing.***

NON-DISCRETIONARY ADVISORY PROGRAMS			
Program Name	PACE Select	PACE Multi	UBS Strategic Advisor
Eligible Investments	Affiliated Mutual Funds (100% mutual funds)	Affiliated and Non-Affiliated Mutual Funds (100% mutual funds)	A combination of equities, open- and closed-end mutual funds, ETFs, fixed-income securities, approved unit investment trusts (UITs), options, certain alternative investments, structured products and other securities.
Minimum Account Size	$10,000	$5,000	$25,000 in eligible billable assets. If you link to another Strategic Advisor account, only one of the Related Accounts is subject to this minimum requirement. Each other Related Account is subject to a minimum account size of $10,000 in eligible assets.
Fee Schedule Maximum Fee	All assets: 2.50%	All assets: 2.50%	All assets: 2.50%
Minimum	No minimum annual fee	No minimum annual fee	No minimum annual fee
Fee Options	Asset-based fee	Asset-based fee	Asset-based fee
Automatic Rebalancing Options	Yes	Yes	No

PORTFOLIO BASED ADVISORY PROGRAMS		
Name	**UBS Consolidated Advisory Program (UBS-CAP)**	**UBS Institutional Consulting (IC)**
UBS-CAP and IC services include, but are not limited to: 1) assistance in the development and preparation of investment policy guidelines, or an investment policy statement for IC clients; 2) the preparation of an asset allocation study and analysis that allocates your investment assets among various asset categories or classes; 3) selection of separate account managers, mutual funds and alternative investments; 4) portfolio evaluation and review; 5) ongoing investment management consulting on items such as reviewing the asset allocation and investment policy and the impact of capital market developments on the overall investment strategy.		
Implementation Options and Eligible Programs	All implementation Options: Alternative Investments, Non-Researched Assets and Held Away Assets permitted at certain levels. Non-Discretionary: All advisory programs are eligible for the CAP Relationship except PACE Select, PACE Multi and the Advice Advantage Program. Strategic Advisor accounts are eligible only if they do not hold alternative investments.	Non-Discretionary: All programs eligible except PMP, AAP, PACE Select, and PACE Multi.
	Limited Power of Attorney for Implementation of Client Directed Investment Activities: All programs eligible except PACE Select, PACE Multi. MAC is limited to Researched Managers only. LPOA excludes Strategic Advisor accounts, non-researched assets, non-researched managers (MAC Eligible), Publicly Registered Non-Traded REITs and BDCs. Client retains all authority over the implementation of investment advice in those accounts and investments.	N/A
	Power of Attorney for Limited Financial Advisor Discretion Services: Eligible programs include ACCESS, MAC (Researched Managers only) and PMP. PACE Select and PACE Multi accounts are not eligible for this relationship type. Strategic Advisor (only accounts without alternative investments) and SWP accounts and non-researched assets, private equity, private real estate, REITs and BDCs may be included in the CAP relationship but are excluded from the LPOA. Client retains all authority over the implementation of investment advice in those accounts and investments. Discretion over private equity and real estate assets may be granted on a limited exception basis for unsolicited client requests for relationships that meet certain asset thresholds.	Power of Attorney for Limited Financial Advisor Discretion: Eligible programs include ACCESS, MAC (Researched Managers only), and Advisor Allocation Program. Alternative investments can be included.
Minimum Relationship Size	$10,000,000 (relationship size) (This will be reduced to $5,000,000 on or about February 1, 2026.)	Non-Discretionary Services: $1 million Discretionary Services: $5 million
Eligible Clients	All clients that meet the minimum relationship size other than qualified, defined benefit, and employee directed plans are eligible for UBS-CAP.	All institutional clients that meet the minimum relationship size are eligible for IC.
Fee Schedule	All assets: **2.50%** (the SMA Manager Fee in ACCESS, MAC, SWP and AAP is in addition to the UBS-CAP fee). See the ACCESS, MAC, SWP and AAP Program descriptions for details.	The SMA Manager Fee in ACCESS, MAC, and AAP is in addition to the IC program fee). See the ACCESS, MAC, and AAP Program descriptions for details. **Non-discretionary services.** **Discretionary services:** In limited circumstances, IC can offer one-time project services for a flat fee.

PORTFOLIO BASED ADVISORY PROGRAMS		
Name	**UBS Consolidated Advisory Program (UBS-CAP)**	**UBS Institutional Consulting (IC)**
For those clients eligible for both UBS-CAP and IC, your financial advisor has a conflict of interest in recommending the program with the higher overall compensation to us and our affiliates and higher cost to the client.		
Minimum Annual Fee	No minimum annual fee	$10,000 or the maximum program fee based on the fee schedule with respect to services selected and the value of Eligible Investments, whichever is less.
Fee Options	Asset-based fee	Asset-based or hard dollar for held away only; project services available as a one-time fee

ALTERNATIVE INVESTMENTS ADVISORY PROGRAM	
Program Name	UBS Consolidated Advisory Program Select (CAP Select)
UBS Consolidated Advisory Program – Select	CAP Select services include, but are not limited to: 1) assistance in the development and preparation of investment policy guidelines; 2) the preparation of an asset allocation study and analysis that allocates your investment assets among various alternative investments asset categories or classes; 3) selection of alternative investments; 4) portfolio evaluation and review; 5) ongoing investment management consulting on items such as reviewing the asset allocation and investment policy and the impact of capital market developments on the overall investment strategy.
Implementation Options	You may establish a CAP Select relationship on a fully non-discretionary basis (without any limited power of attorney) or you may delegate certain activities to your Financial Advisor in this Program by selecting the Limited Power of Attorney option in the CAP Select Application and executing the Agreement and Application. CAP Select offers (1) Limited Power of Attorney for Implementation of Client Directed Investment Activities and (2) Power of Attorney for Limited Financial Advisor Discretion Services. You may establish a CAP Select Program Account on a stand-alone basis, or in conjunction with a UBS CAP Program Account. CAP Select eligible assets are limited to alternative investment vehicles held at UBS. Discretion over private equity and real estate assets may be granted on a limited exception basis for unsolicited client requests for relationships that meet certain asset thresholds.
Minimum Relationship Size	$10,000,000 (relationship size) (This will be reduced to $5,000,000 on or about February 1, 2026.)
Fee Schedule Maximum Fee	All assets: up to 1.00% CAP Select is an advice-only program in which the fee you pay is solely for the investment advice and performance reporting provided in the Program. Custody, trading and execution fees are not applicable or assessed in this Program.
Minimum Annual	No minimum annual fee
Fee Options	Asset-based fee (Advice-Only / Non-Wrap)

Billing practices vary by Program. Please see *"Account Requirements and Types of Clients*—Billing Practices" for a description. **We reserve the right, in our sole discretion, to institute special pricing features, change account minimums for new accounts, impose higher account minimums for certain strategies or portfolios that may be offered from time to time, terminate accounts that fall below the minimum account value requirements, or require that additional cash or securities be deposited to bring an account up to the required minimum.**

Limited Advisory Program Options in Wealth Advice Center: The Wealth Advice Center (WAC) supports primarily the needs of mass affluent investors through a team-based approach. The advice and services provided by the WAC Financial Advisors is limited to an offering and service model designed for these households. As such, not all products and services available at UBS Financial Services Inc. are available through the UBS Wealth Advice Center. New clients to the UBS Wealth Advice Center are currently limited to the ACCESS and Strategic Wealth Portfolio Programs. Clients already enrolled in the PACE Multi Advisor Program or the PACE Select Advisor Program are permitted to enroll additional accounts in those programs, if appropriate. In addition, select employers have limited their participants to the PACE Multi Advisor Program and PACE Select Advisor Program. WAC clients in this scenario are permitted to enroll in PACE Multi Advisor or PACE Select Advisor, if appropriate. We can change the products and services available through the Wealth Advice Center at any time, in our discretion.

Limited Advisory Program Options in the International Wealth Solutions Group: The International Wealth Solutions Group (IWSG) supports primarily the needs of non-U.S. resident mass affluent investors through a team-based approach. The advice and services provided by the IWSG Financial Advisors is limited to an offering and service model designed for these households. As such, not all products and services available at UBS Financial Services Inc. are available through the IWSG. Clients to the IWSG are currently limited to two different advisory programs: ACCESS and MAC. We can change the products and services available through the IWSG at any time, in our discretion.

Various Roles and Services of your UBS Financial Advisor: The services of our Financial Advisors vary depending on the Program you select and can encompass different levels of discretion available in our Advisory Programs. For example, Financial Advisors who manage accounts on a discretionary basis in the PMP and AAP Programs may also provide services to you and to other clients outside of those Programs as non-discretionary investment advisers in PACE, SWP, Strategic Advisor and the SMA Programs. The same Financial Advisors can also provide services to you and other clients in connection with brokerage accounts in their capacity as broker-dealer representatives. As a result, Financial Advisors participating in PMP and AAP may dedicate time to activities other than discretionary portfolio management. Further, the management of accounts for which they exercise discretion in PMP and AAP will differ from each other and from other accounts for which they provide services, including differences in investment methodology, asset allocation and/or investment recommendations. In addition, we, our Financial Advisor and our affiliates may give advice and take action in the performance of our duties to clients which differs from advice given, or the timing and nature of actions taken, with respect to other clients' accounts.

Financial Advisors who participate in the PMP and AAP Programs have an incentive to recommend their services in PMP and AAP over those of third party SMA Managers in other Advisory Programs or over traditional commission-based brokerage services. In addition, we and our Financial Advisors have a conflict of interest in recommending the services of related persons in

managing client accounts because this will result in higher overall compensation to us and our affiliates than if third-party managers were used.

Only Financial Advisors who have received the internal designation of Institutional Consultant may provide IC services. For more information on the Institutional Consultant title see "Education and Business Standards for Financial Advisors Participating in Our Advisory Programs."

1. Your Program Fee; Services Included in Your Program Fee:

The Programs described in the Brochure, except for CAP Select, charge a "wrap fee". The IC Program charges a "wrap fee" if the assets are held at UBS. For IC clients that hold their assets away from UBS, the IC program fee is for advice only, but it is still based on assets under management.

That means the total Program Fee that you pay in the Programs described in this brochure covers:
-the UBS Investment Advisory Fee which covers investment advice and consulting services of UBS and your Financial Advisor
-trading, execution and settlement for trading through UBS
-custody at UBS
-performance reporting for accounts custodied at UBS (IC also provides performance reporting for accounts custodied away from UBS) and
-related account services that we provide to you depending on the program that you select
-may include portfolio management as well.

If applicable, given your Program selection, the total Program Fee includes the SMA Manager Fee.

Since your Program Fee for the wrap-fee programs covers trading and execution costs, separate brokerage commissions will not be charged to your Account. **However, because our Programs are investment advisory programs and the advice and guidance of your Financial Advisor is the primary service of the Programs, you should not enroll in our Programs in order to obtain ancillary services such as custody, trading and execution, or assume that you will receive any particular benefit from the availability of those services in the Programs. For example, depending on the circumstances, Program Accounts may have low or no trading (such as may be the case with a "buy and hold" strategy) or the securities or other investments traded might not typically incur commissions or other transaction-based charges (such as can be the case with some fixed income securities and mutual funds). Moreover, other broker-dealers offer custody and trade execution services on discounted or complimentary basis.**

The maximum annual rates for the UBS Investment Advisory Fee are listed in the fee schedules above.

CAP Select is an advice-only program in which the fee you pay is solely for the investment advice and performance reporting provided in the Program. If you hold assets away from UBS, the IC Program is available on an advice-only basis. Custody, trading and execution fees are not applicable or assessed in the CAP Select Program and in the IC Program if you elect to hold assets away from UBS.

Your Fees Can Change: The UBS Investment Advisory Fee, SMA Manager Fees (or Premium Services Fees) and overall Program Fee for your Account(s) may change over the course of your relationship with us.

The Fees for an Account may be changed either by sending you prior written notice of the change with an opportunity for you to object to the change, or obtaining your prior verbal consent which we will confirm in writing for your records when fees are increased or decreased. The IC Program requires written consent for a fee increase. The fee change will be effective for the next quarterly billing cycle. Your continued use of our services will constitute your agreement to the change.

Your Financial Advisor receives a percentage of the UBS Investment Advisory Fees you pay to us.

Fees are Negotiable. The fees we charge in our Programs are negotiable and may differ from client to client, and for clients in the Wealth Advice Center, based on a number of factors. These factors include, but are not limited to, the type and size of the account, the number and range of supplemental Advisory and client-related services to be provided to the account, the scope of the engagement and the complexity of services.

Although the UBS Advisory Fee is negotiable and can be waived in certain instances, we limit the ability of Financial Advisors to negotiate below certain levels ("hard floors"). The hard floors differ based on relationship size, strategy type, and for separately managed accounts offered in the ACCESS, SWP, and AAP Programs with no additional manager fee.

Discount Sharing: We have discount sharing requirements in our Advisory Programs to ensure fees are not priced below specified levels. Discount sharing does not apply to accounts in the Wealth Advice Center or to certain Managed Options Strategies. Discount sharing levels and hard floors vary by style and in some instances by the types of strategies available in a Program. For example: the discount sharing levels and hard floors for an equity strategy are different than for a fixed income strategy; and, within those categories, hard floors levels differ for separately managed accounts offered in the ACCESS, SWP and AAP programs with no additional manager fee.

Financial Advisors receive less than their standard payout when accounts are priced below the discount sharing levels. This creates an incentive for Financial Advisors to price accounts at or above those levels. If a Financial Advisor wishes to discount the UBS Investment Advisory Fee below certain levels (but not below the hard floors), they may have the opportunity to do so but may earn reduced compensation associated with the discount.

These discount sharing fee levels are typically higher for equity and balanced strategies than for fixed income strategies, and as such this creates an incentive for Financial Advisors to recommend fixed income strategies. However, the Advisory fee charged to clients for fixed income strategies is traditionally lower than for equity and balanced strategies. Financial Advisors are incentivized to price accounts at the stated fee schedules. All assets held at UBS (including brokerage assets) that are part of your marketing relationship may be used by your Financial Advisor to determine pricing for your Advisory Accounts.

Customized pricing and Financial Advisor compensation may be approved for advisory relationships with assets over a certain amount. Advisory Accounts enrolled in UBS-CAP and CAP Select are subject to the Equity/Balanced and Pooled Investment Vehicle (PIV) Discount Sharing schedule that is the same for all programs, and account types.

Discount sharing is waived for client accounts enrolled in the IC Program, except for accounts enrolled in an SMA Advantage strategy. IC clients priced below certain levels may not be eligible

for SMA Advantage strategies, or if they are eligible, your Financial Advisor may be subject to a reduced payout for those accounts which creates a conflict of interest by incentivizing them to recommend allocations to other investments that do not have a reduced payout. We address our conflicts of interest by maintaining policies and procedures requiring that Advisors act in your best interest, reasonably supervising their activities and disclosing these conflicts so that you can make fully informed decisions.

Proprietary SMA Premium Fees in Discretionary Programs: Affiliated or Proprietary SMA Advantage strategies that charge a Premium Services Fee are not available to (1) Retirement Plan clients enrolled in the IC Program with a Limited Power of Attorney for Financial Advisor Discretion Services (2) are available in AAP and CAP with Limited Discretion but the premium fees are waived for ERISA and IRA clients in AAP and CAP with Limited Discretion.

During a promotional period in 2023, discount sharing thresholds were temporarily suspended for certain accounts that invested in fixed income strategies in ACCESS, MAC and PMP when specified criteria were met. The minimum fees for such accounts were also reduced to 15 basis points. Client pricing and Financial Advisor discount sharing waivers remain for the life of the Advisory account while invested in a fixed income strategy – unless there are changes to the program or Advisory fee. This creates a conflict of interest as it incentivizes Financial Advisors to recommend maintaining accounts in these fixed income strategies over other strategy types. While clients can benefit from the reduced fee, Financial Advisors also benefit by receiving compensation based on the entire fee charged to the accounts instead of having those payouts reduced by discount sharing.

UBS offers a dedicated liquidity strategy available to Financial Advisors and their clients in the discretionary PMP Advisory program. The maximum UBS Advisory fee for clients enrolled in the liquidity strategy is 1%, with Financial Advisors not subject to discount sharing on applicable accounts, regardless of account assets or relationship size.

Discounts Sharing Waivers for Legacy Share Transfers:

From July 1, 2025, until December 31, 2025, UBS pays Financial Advisors 12b-1 fees only when the total amount of 12b-1 fees and offshore trails attributable to them exceeds $100,000 for the year. 12b-1 fees not paid to Financial Advisors are retained by the Firm. This change creates a conflict of interest as your Financial Advisor has an incentive to recommend alterative solutions to the Legacy Share holdings such as a commission-based investment product, or an advisory account.

Effective January 1, 2026, Financial Advisors may request an advisory discount sharing waiver for Legacy Shares transferred from brokerage to advisory accounts. The waivers will be effective for up to one year from the approval date. An account must hold at least 20% in Legacy Shares to qualify for a waiver. Waivers are also available for Legacy Shares transferred to advisory accounts during 2025.

Discount Sharing waivers provide Financial Advisors with flexibility to price advisory accounts at lower fee levels which can benefit clients. They also incentivize advisors to recommend the transfer of the Legacy Shares from brokerage to advisory programs to offset future compensation reductions from changes to 12b-1 fee payments. Once the waivers expire, standard discount sharing guidelines will apply. Financial Advisors will share in the discount unless fees are increased with client consent.

Clients may elect to continue holding their legacy share class position(s) in their brokerage account or redeem the position(s) and purchase a suitable alternative without incurring the advisory program fee.

Fees as well as other account requirements vary as a result of the application of prior policies depending on when your account was first opened. Fees for certain Advisory services described in this Brochure are reduced for our employees, certain family members or employees of our affiliates. We reserve the right to change those fees upon termination of employment with the firm.

Discount sharing waivers provide Financial Advisors the flexibility to price advisory accounts at lower fee levels which can benefit clients, but also provide an incentive for them to recommend moving from brokerage to advisory programs to their clients which creates a conflict of interest between the interest of the Financial Advisor and the interest of the Client.

Other types of fee arrangements—such as a fixed fee arrangement—are available in certain programs. We may enter into special agreements to provide other services involving specific clients, Financial Advisors or any of our branch offices. For more information regarding the above, contact your Financial Advisor.

Program Fees are expressed as an annual rate that is prorated for the quarterly or other billing period and is applied to the asset value of the account. For billing purposes, asset value means the total fair market value of the eligible securities in your Advisory Account, including, where applicable, the value of margin loans, dividends and accrued interest.

Options Overlay Strategy and Mandate Amounts: The Program Fee for Options Overlay Strategies is typically based on a "Mandate" amount of the strategy, selected by the client, not the value of eligible assets in the Account, as is the practice for most Advisory Programs. The Mandate amount is the amount of collateral you are willing to put at risk. While the actual value of assets in your Account will fluctuate over time, the Mandate remains constant unless you change it by notifying your Financial Advisor or UBS lowers the Mandate. In cases where UBS lowers the Mandate, we will notify you in writing of the change. **Depending on the value of your account, this practice of billing on the Mandate amount will result in higher compensation to UBS and your Portfolio Manager than if the Program Fee was based on the value of eligible assets in your account.** See "*Account Requirements and Types of Clients;* Billing Practices" for more information. You should consider the impact of these billing practices carefully before investing in these strategies.

Important Considerations of an Asset-Based Fee Option.

We set and evaluate the reasonability of UBS Investment Advisory Fees in the Programs based on the investment advisory services we offer, without regard – and attributing no economic benefit – to any ancillary services such as custody, trading and execution available in the Programs. You should expect that lower fees are available from other firms offering the same or comparable services. You may pay more or less in a UBS Financial Services Inc. wrap- fee program than you might otherwise pay if you purchased the services separately, through other firms, or if you chose to purchase the same or similar securities in a brokerage account without the investment advisory services of your Financial Advisor.

For example, depending on your asset allocation or strategy selection, you may find that the individual investments of your strategy or allocation are available to you outside of the Program for more or less than you would pay in the Program. Several factors affect whether your fees and costs are more or less in a fee-based program, including:

- Size of the portfolio
- Whether we serve as custodian for your account assets
- The types of investments you select, or are made by the SMA Manager, Portfolio Manager or Financial Advisor
- Whether such investments carry additional administrative or management fees
- The trading activity in the Account and the types of securities traded
- Whether your SMA Manager uses our trading and execution capabilities or those of other broker-dealers to execute transactions for your accounts
- Whether you have large cash holdings (i.e., cash or cash equivalents such as bank account deposits or money market funds offered as so-called sweep vehicles) in an Account and whether investment advisory fees are charged on those cash holdings
- The actual costs of the services if purchased separately

Your Program Fee will <u>not</u> be adjusted if, among other things:

- Your Account has low or no trading activity,
- Your SMA Manager chooses to trade away from us, and your trades are subject to commissions or other charges imposed by other broker-dealers,
- You choose to custody or trade your assets at another financial institution,
- You have large cash holdings, or
- You decide not to implement or follow the investment advice we provide to you.

Accordingly, you should evaluate UBS Investment Advisory Fees based <u>solely</u> on the investment advisory services we provide, without regard to any ancillary services provided such as custody, trading and execution services.

SMA Manager Fees: Certain SMA strategies are available in several programs at different fee levels. Therefore, the Program and/or SMA Manager Fee you pay will vary, depending on the Program you select and the structure of the program (dual, single contract, unified account, discretionary or non-discretionary program). For example:

The ACCESS, MAC and IC programs offer some of the same SMA strategies. Depending on your asset level and ability to negotiate the SMA Manager Fee with the SMA Manager in the dual-contract structure of the MAC or IC non-discretionary programs, you may find that the single- contract structure in ACCESS provides a more cost-effective option or vice versa. In addition, based on the combination of our UBS Investment Advisory Fees and your SMA Manager's Fees, the overall Program Fee for your SMA account in MAC or IC may exceed 3% of the account value.

We may, in our discretion, and in order to address fiduciary obligations, offer the Programs to trust clients for which our affiliate serves as trustee at substantially discounted rates than those listed.

Fees charged by SMA Managers can vary significantly, depending on the type of investment services offered. See the SMA Program description tables above for the fee ranges in the various Programs.

SMA Advantage Strategies: Select strategies referred to as "SMA Advantage strategies" in the ACCESS, AAP and SWP Programs, including those offered by our affiliate UBS Asset Management (AM), are available with no additional SMA Manager fee charged to Clients. UBS Financial Services negotiates the SMA Manager Fee with the Managers based on an institutional fee schedule that is substantially lower than the ranges listed above and will pay that fee out of its own resources. The Managers charge additional fees for certain strategies or additional services determined to be premium solutions, such as personalized tax management and sustainable investing. The fees for those value-add services will be paid by Clients ("Premium Services Fee").

All Managers are invited to participate in SMA Advantage and may choose to participate at any time during their relationship with UBS. Participation is optional and it does not impact the availability of a Manager's strategy on the UBS Financial Services Inc. platform. If a manager elects to participate in SMA Advantage for some or all of its strategies, existing clients invested in those strategies will see a decrease in the SMA Manager fee, which we will communicate to you.

Managers in SMA Advantage may opt out of the SMA Advantage Program at any time. A manager's decision to no longer participate in SMA Advantage will not impact the availability of the strategy(s) on the UBS platform. Clients invested in strategies being removed from SMA Advantage will be required to pay the Investment Manager Fee for that strategy, which will increase their overall fee, depending on the Investment Manager Fee and if the strategy included a premium fee within SMA Advantage. Existing clients enrolled in a strategy that is removed from the SMA Advantage program will receive notification prior to being charged the Investment Manager Fee.

When selecting or recommending affiliated strategies we have a conflict of interest because retaining those entities will result in increased compensation to UBS and/or our affiliate, particularly when our affiliate charges an SMA Manager Fee or Premium Services Fee. We do not charge an SMA Manager Fee or Premium Services Fee to Retirement Plan or IRA clients invested in a SMA strategy managed by a UBS affiliated Investment Manager in the AAP Program or UBS-CAP with a Limited Power of Attorney for Financial Advisor Discretion Services. Such strategies are not available to Retirement Plan clients in the IC Program with a Limited Power of Attorney for Financial Advisor Discretion Services.

Some UBS SMA programs charge a negotiable UBS Advisory Fee only, while others charge a negotiable UBS Advisory Fee, plus a separate portfolio manager fee. As explained above, for SMA Advantage strategies clients are not charged a separate portfolio manager fee (except for applicable Premium Services Fees). Because of this difference in fee structure, **Financial Advisors have a conflict of interest and an opportunity to charge a higher UBS Investment Advisory Fee when clients enroll in Investment Advisory Programs that do not include an additional SMA Manager fee. Similarly, differences in SMA Manager fees create a conflict of interest and provide an opportunity for Financial Advisors to charge a higher UBS Investment Advisory Fee for a strategy with lower or no SMA Manager Fees than they would for strategies that charge a higher SMA Manager Fee.** Since UBS receives a portion of the UBS Advisory Fee charged in SMA Program accounts, there also is an incentive for UBS to promote Programs/Strategies that do not charge a separate third party SMA Manager Fee. **UBS applies higher hard floors on the UBS Advisory Fee when accounts enroll in SMA Advantage. Depending on the size of the overall relationship, this can**

limit the ability to negotiate a lower UBS Investment Advisory Fee when the SMA Advantage strategies are used compared to strategies that charge a separate SMA Manager Fee.

C. Fees/Other Charges Not Covered by your Program Fee

Depending on your Program and investment selections, you will pay other charges in addition to the wrap fee, some of which may add to the compensation that we receive. Program Fees will not be reduced or offset by these fees. These additional fees will reduce the overall return of your account.

Our UBS Investment Advisory Fees do not include:

SMA Manager Fees. Our UBS Investment Advisory Fee does not include the services of your SMA Manager in programs that offer those services. Your SMA Manager will charge a separate fee for discretionary portfolio management services, which UBS negotiates in the ACCESS, AAP and SWP Programs. You are responsible for negotiating SMA Manager fees in the MAC and IC Programs, except for MAC Accounts in the UBS CAP or IC Program with Limited Power of Attorney, where your Financial Advisor negotiates on your behalf. **The SMA Manager Fees when added to UBS Investment Advisory Fees, comprise your total "Program Fee."**

Trade Execution Cost through other Broker Dealers: Commission charges for transactions for your account that your SMA Manager or we, at your direction, effect through other broker-dealers. **See Item 5** for important information about step-out trades and how they can impact the overall costs of trading for your portfolio. **If your SMA Manager will not be executing transactions with UBS, our SMA programs may not be an appropriate option if your SMA Manager does not take action to ensure that you do not incur additional costs;**

- custody fees and trading fees imposed by other financial institutions if you choose to custody and/or trade your assets at other financial institutions (for example, investments held away from UBS in UBS-CAP or IC);
- fees associated with custody, delivery and conversion of precious metals imposed by affiliates, or other financial institutions;
- mark-ups/mark-downs on principal transactions with us, our affiliates or other broker-dealers;
- internal trust fees;
- costs relating to trading in and holding foreign securities (other than commissions otherwise payable to us);
- internal administrative, management, redemption (see below) and performance fees imposed by collective investment vehicles such as open-end and closed-end mutual funds, UITs, hedge funds and other alternative investments, exchange- traded funds or real estate investment trusts;
- subject to certain exceptions, redemption fees charged by mutual funds for active trading in your Accounts (see *"Mutual Fund Redemption Fees for Active Trading"* below); and
- other specialized charges, such as transfer taxes, and fees we charge to customers to off-set fees we pay to exchanges and/or regulatory agencies on certain transactions.

Either UBS Financial Services or UBS Bank USA will also charge interest on any outstanding loan balances (including margin loans) to clients who borrow money from us or UBS Bank USA.

Clients also may be charged additional fees for specific account services, such as:

Account Transfer Fee

Wire transfer charges

Annual Account Service Fees for retirement accounts

Fees relating to custody and transactions in physical securities

Voluntary corporate action fees

Fees for RMA and BSA services where such services are available for the account

Mutual Fund Redemption Fees for Active Trading. The mutual funds you hold in your Accounts may charge redemption fees if shares are sold within a certain period of time after they are purchased, also known as active trading. These fees may also apply to the redemption portion of an exchange transaction if shares are exchanged among funds (whether through direct exchanges or through sales and new purchases) in the same family of funds more frequently than is permitted by each fund's prospectus. The amount charged as a redemption fee, the length of time you must hold your shares to avoid a redemption fee and the number and frequency of exchanges among funds you may make without paying a redemption fee, varies from one mutual fund to another. This information is included in each Fund's prospectus. If you have questions about whether a redemption fee will apply to a transaction you wish to make, please ask your Financial Advisor for a prospectus for the applicable mutual fund. **If charged, redemption fees will be in addition to the Program Fee and will be your responsibility.**

You will not be charged redemption fees for mutual fund assets in UBS Strategic Wealth Portfolio, AAP, ACCESS, UBS Advice Advantage, and PACE programs, resulting solely from automatic transactions effected for your allocation, including periodic automatic account rebalancing, periodic automatic withdrawals from your account or withdrawals to pay your Program Fee if you have selected these features. If due to system limitations or errors, your account is charged redemption fees as a result of periodic automatic account rebalancing, periodic automatic withdrawals from your account or withdrawals to pay your Program Fee, we will credit your Account for the amount of those fees. **Redemption fees incurred for any other reason and as a result of your trading instructions (including tax harvest instructions in our SMA programs) will be your responsibility.**

D. Compensation to Financial Advisors, Market Directors and Associate Market Executives ("Advisors") Who Recommend Advisory Programs

Our standard compensation plan for Advisors consists of (1) a guaranteed monthly minimum draw required by applicable law; (2) a monthly earned payout based on the Advisor's production if it is greater than the monthly minimum draw; (3) a Year-End Award; and (4) a Growth Award.

Both the monthly production payout and any Year-End Award are derived separately using an Incentive Grid Rate (a percentage) for each Advisor. Incentive Grid Rates range from 28% to 59.5%, with 10% to 15% of the rate assigned each month and applied to applicable production for a potential Year End Award consideration. The Year End Award is generally paid on a deferred schedule. The Incentive Grid Rate increases as an Advisor's production and length of service with UBS increase. Financial Advisors are eligible for various incentive awards based on a variety of factors including but not limited to length of service, net new assets, and production levels.

Monthly Earned Payout
The payout is a percentage (referred to as a production payout rate) of the production (generally transaction revenue and investment advisory program fees) that each Advisor generates during that month, minus deferrals and adjustments specified in our Advisor Compensation Plan. Account maintenance fees and certain transaction and advisory fees that are priced below a specific level are not eligible for a production payout or monthly credit(s) towards the determination of the year end award. Advisors working as part of a fully approved documented and active team that meets minimum production requirements can qualify for a higher production payout rate than they would receive working as an individual.

Generally, Advisors are not paid on households that fall under the following thresholds:
- Wealth Management US households: $250,000
- International households: $2,000,000
- Private Wealth Management households: $2,000,000

However, Advisors receive compensation at a reduced incentive grid rate for production generated by those households if they transfer or refer them to the Wealth Advice Center or the International Wealth Solutions Group.

Because Financial Advisors are generally not paid on households below the thresholds if they support them directly in the branches, there is a conflict of interest and an incentive for the Financial Advisor to transfer/or refer such households to the Wealth Advice Center or to the International Wealth Solutions Group because it will generate compensation for the referring Financial Advisor that would not otherwise be received.

We reserve the right, at our discretion and without prior notice, to change the methods by which we compensate our Advisors and employees, including reducing and/or denying production payout and/or awards at our discretion for any reason.

For our Investment Advisory Programs (asset-based fee programs) the Incentive Grid Rate is applied to the program fees credited to the Financial Advisor by the Firm, but the payout is generally reduced for accounts priced below certain thresholds. See "*Discount Sharing*". Advisory accounts in relationships with assets over certain thresholds may have customized pricing and/or payout rates as approved by the Firm.
The differences in the way we compensate Advisors for the products we offer creates financial incentives for Advisors to recommend certain products and account types over others, to encourage clients to purchase multiple products and services, and to choose a payment structure for products and services that generates greater compensation.

We address our conflicts of interest by maintaining policies and procedures reasonably designed to ensure that Financial Advisors meet the required standard of conduct applicable to each account type, supervising their activities and disclosing these conflicts so that you can make fully informed decisions.

Other compensation practices
Under certain circumstances (e.g., acquisitions and recruitment or particular programs or designations, such as Wealth Advice Center, Wealth Planning Associate, Financial Advisor Associates, Institutional Consulting ("IC"), Retirement Plan Consulting Services ("RPCS"), Retirement Plan Advisor ("RPA"), and Retirement Plan Manager ("RPM"), some Financial Advisors or producing Market Directors and Associate Market Executives are compensated differently.

Compensation for Advisors recruited from other firms: In general, if your Advisor is joining UBS from another firm, you should discuss the reasons your Advisor decided to change firms and any costs or changes in services you incur by transferring your accounts to UBS. Typically, UBS pays Financial Advisors financial incentives when they join and on an ongoing basis as described below.

Advisors are eligible to receive incentives at the time they join (based on prior firm revenue) and are eligible to receive additional incentives while employed at UBS, based on reaching certain minimum asset and/or production levels or other targets within a specified period of time after joining UBS. In some cases, to maintain the incentives, the recruited Financial Advisors are required to achieve and maintain asset levels as determined at the time of joining UBS.

Generally these incentives are the continuance of monthly payments for up to 12 years, unless the threshold/levels are not met.

These payments can be substantial and take various forms, including salary guarantees, loans, transition bonus payments and various forms of compensation to encourage Financial Advisors to join UBS, and are also contingent on your Financial Advisor's continued employment. Therefore, even if the fees you pay at UBS remain the same or are less, the transfer of your assets to UBS contribute to your Financial Advisor's ability to meet such targets and to receive additional loans and/or compensation even if not directly related to your account or the fees you pay to us.

These practices create an incentive and a conflict of interest for your Financial Advisor to recommend the transfer of your account assets to UBS since a significant part of the Financial Advisor's compensation is often contingent on the Financial Advisor achieving a pre-determined level of revenue and/or assets at UBS. You should carefully consider whether your Financial Advisor's advice is aligned with your investment strategy and goals.

Compensation for Field Leadership

Elements of our field leader compensation are based on revenues and sources of profit to the firm. This creates an incentive for our management team to encourage Advisors to recommend products and services that result in more revenue and/or are more profitable to the firm, and can create a conflict of interest. Regardless of these incentives, we maintain policies and procedures and supervisory processes designed to ensure that Financial Advisors meet the standard of conduct applicable to each client.

Compensation to Financial Advisors in the UBS Wealth Advice Center, the International Wealth Solutions Group and the Access Desk: All UBS Wealth Advice Center, International Wealth Solutions Group and the Access Desk Financial Advisors receive an annual salary and are also eligible to earn an annual discretionary incentive compensation award. Financial Advisors in the Wealth Advice Center receive more production credits for investment advisory enrollments and additional investments than for products or transactions in brokerage accounts. This creates a conflict of interest and an incentive for the Financial Advisors to recommend Advisory Accounts over other products, services and transactions. Production credits earned on Advisory products are based on the time required to execute, which includes Financial Advisor effort, product complexity and time required to complete the transaction.

1. Compensation to UBS Portfolio Managers and Financial Advisors in our Advisory Programs.

Financial Advisors receive a portion of the UBS Investment Advisory Fee you pay to us. The entire UBS Investment Advisory Fee you pay is allocated to the branch office and it is used as the basis to calculate the percentage of the UBS Advisory Program Fee that is paid to your Financial Advisor.

The percentage payable to Financial Advisors acting in the PMP and AAP Programs is based on their total production level at UBS. Although, generally, the percentage is the same across all advisory accounts serviced by the Financial Advisor, the actual amount paid to the Financial Advisor can vary by Program depending on the fees.

Financial Advisors who participate in the PMP and AAP Programs have a conflict of interest and an incentive to recommend their discretionary services in those Programs over those of third party SMA Managers in other Advisory Programs or over traditional commission-based brokerage services. Some UBS SMA strategies charge a negotiable UBS Advisory Fee only, while others charge a negotiable UBS Advisory Fee, plus a separate SMA Manager fee. Because the UBS Financial Advisor provides the discretionary portfolio management services in PMP, the client does not pay a separate SMA Manager fee in PMP. This difference in fee structure for PMP provides an opportunity for the Financial Advisor to charge a higher UBS Advisory Fee and, therefore, receive higher compensation. This same conflict exists in situations where Financial Advisors in the AAP Program choose to allocate all or a portion of the AAP account assets to mutual funds and ETFs only, or to SMA managers with no additional SMA Manager Fee. Since UBS receives a portion of the UBS Advisory Fee charged in SMA Program accounts, there also is an incentive for UBS to promote the PMP and AAP Programs over other SMA Programs or strategies that include a separate SMA Manager fee.

Generally, Financial Advisors in UBS-CAP and IC will receive the same payout level across all Accounts enrolled in UBS-CAP or IC, respectively, regardless of Program type or strategy in which those assets are invested.

Financial Advisors who do not participate in PMP or AAP may refer their clients to Financial Advisors acting as Portfolio Managers in the PMP Program or to Financial Advisors in AAP. In those instances, the PMP Portfolio Manager or AAP Financial Advisor shares a portion of his/her fee with the referring Financial Advisor.

2. Compensation to SMA Managers in the ACCESS, MAC, SWP and AAP Programs.

We pay the SMA Manager Fee (including Premium Services Fees) portion of the total Program Fee to your SMA Manager as compensation for their services. The amount of the Program Fee paid to each SMA Manager is a function of that SMA Manager's investment style and the fee we negotiated with the SMA Manager or for MAC and IC non-discretionary Programs, the fee you negotiated directly with the Manager.

SMA Manager fees can vary significantly, depending on the type of investment services offered. Not all strategies in ACCESS, SWP and AAP have an additional SMA Manager Fee (*See Item 4 section 1. Your Program Fee* **SMA Advantage Strategies**.)
When fees are charged, the annual fees paid to SMA Managers are based on a percentage of assets under management and, for ACCESS, SWP and AAP, generally range from 0.00% to 0.50% for all accounts. For MAC accounts the annual fees paid to SMA Managers generally range from .02% to 2.00% of assets under management. The compensation payable to SMA Managers is typically higher for equity and balanced strategies than it is for fixed income strategies.

We calculate SMA Manager Fees for ACCESS, SWP and AAP and for MAC accounts where the SMA Manager Fee is deducted directly from the account, in accordance with UBS's billing practices as described in **Item 5.C.** Billing Practices. We pay the SMA Manager Fees on your behalf based on all activity (i.e., initial billing, quarterly billing, prior quarter fee adjustment) and assets in their strategies.

E. Description of Our Discretionary Programs: Portfolio Management Program (PMP) and Advisor Allocation Program

The Discretionary Programs described in this brochure offer you the portfolio management services of UBS Financial Advisors (PMP Program, Advisor Allocation Program).

By selecting our Discretionary Programs, you authorize: (1) UBS to act as your investment adviser and give UBS the power to execute transactions (i.e., buy, sell or otherwise trade securities or other investments) for your Program account without consulting you; (2) to take any actions necessary to open and maintain your account or to complete and pay for transactions for your account and, (3) if we deem appropriate, to delegate investment management discretion of all or a portion of your Account to a sub-advisor, Model Manager or overlay manager, including those affiliated with UBS.

Your delegation of investment authority gives UBS the sole authority to manage your account and make all investment decisions for your account without discussing these transactions with you. This authority specifically includes the authority to hire and fire SMA Managers and sub-advisers for your account, who will, depending on the strategy selected, charge additional fees for the services they provide, including fees for premium services such as personalized tax management and sustainable investing. You will be responsible for the payment of any SMA Manager Fees (including Premium Services Fees). Generally, your UBS Portfolio Manager or Financial Advisor will be limited to investing in those securities classified as eligible for the Program you selected.

See *"Account Requirements and Types of Clients—Eligible and Ineligible Assets"* for a description of our practices and consult your Financial Advisor for the specific details regarding the eligibility of specific assets and securities in the Program you select.

Your PMP and AAP applications will include the name of the Financial Advisor(s) who will be exercising discretion over your assets in those Programs, or the name of his/her group (although only a dedicated PMP or AAP Financial Advisor may exercise discretion over your account). He/she will have primary responsibility for the day-to-day management of your account. For PMP and AAP accounts opened after you have established your first Advisory account, we will confirm in writing your UBS Portfolio Manager or AAP Financial Advisor or the name of his/her group. Primary responsibility for the supervision of the PMP and AAP accounts lies with the PMP/AAP Financial Advisor's Branch Office Manager.

Portfolio Manager Termination from the Discretionary Programs. We retain the authority to remove any UBS

Portfolio Manager, AAP Financial Advisor, sub-advisor or model portfolio or strategy from the Discretionary Programs at any time and to transfer day-to-day management responsibility of your account to another UBS Portfolio Manager, AAP Financial Advisor(s), sub-advisor or Branch Office Manager at any time without first notifying you or obtaining your consent.

Financial Advisors who participate in the AAP or PMP Programs may also provide services to you outside of the Program as non-discretionary investment advisers and in their capacity as broker-dealer representatives. Please see *"Various Roles and Services of Your UBS Financial Advisor" and "Conducting Business with UBS: Investment Advisory and Broker-Dealer Services"* for a description of the material distinctions between our Advisory and broker-dealer services and our obligations.

1. Portfolio Management Program (PMP) Strategies and Models.

The Portfolio Management Program offers a variety of investment strategies and models managed by trained Financial Advisors who manage client assets on a discretionary basis.

Concentrated Strategies Risks: Concentrated strategies are available in PMP, through Portfolio Managers whose strategies have been pre-approved at UBS. Please review these descriptions carefully and contact your Portfolio Manager with any questions. With our approval, you may authorize your Portfolio Manager to implement a concentrated strategy—focusing heavily on securities in certain sectors or geographic regions. This type of concentrated strategy can be more volatile and presents a greater risk of loss, especially over the short term. The more concentrated your portfolio, the higher your risk exposure will typically be. These portfolios may not be diversified, may hold securities representing only one or a limited number of economic sectors or only be invested in international securities, may include only a limited number of companies in certain sectors and may invest in new or emerging businesses or securities of foreign companies that present risks not typically associated with U.S. equity investments. Because a concentrated portfolio may hold a limited number of securities, movements in securities prices could have a greater impact on the value of the portfolio than would occur if the portfolio held more securities. These portfolios may not be appropriate for investors who are not willing to accept a much greater risk of loss and volatility of investment returns than the general stock market (as typically measured by the S&P 500 Index) and may not be an appropriate investment for a significant portion of a client's investable assets. We may impose special suitability requirements with respect to these portfolios.

2. Advisor Allocation Program

The Advisor Allocation Program is a discretionary unified managed account. Please see the section below "Unified Managed Accounts" for a description of the features and services of the Program.

F. Separately Managed Accounts Programs, SMA Manager Sub-Accounts in the Strategic Wealth Portfolio and Advisor Allocation Programs

SMA Programs: Structure/Hiring the SMA and Overlay Managers: ACCESS, AAP and SWP are "sub-advised" programs. That means you enter into an investment advisory agreement with us and we, in turn, hire the SMA Manager(s) on your behalf, or for the select SMA model strategies, including Strategist Models, an Overlay Manager, to manage your assets in the strategy selected or implement models from the Model Managers. Once we accept your Account, we provide the SMA Manager or Overlay Manager, as applicable, with your responses to the completed Risk Profile Questionnaire and restrictions prior to the manager accepting the account.

MAC and ACCESS are different in some very important ways. In particular, in the ACCESS program, you delegate discretion to us and direct us to hire a sub-advisor SMA Manager or Overlay Manager to manage your assets or implement the selected strategies through Model Managers. However, in the MAC program, your relationship and your investment agreement are directly with your SMA Manager. UBS will act as your consultant, but you delegate discretionary authority over your accounts directly to your SMA Manager in a separate agreement with them.

The MAC program requires that you enter into two separate agreements, one with UBS for advisory services and one directly with your SMA Manager for investment management services. You are responsible for negotiating the terms, fees and conditions of your agreement with your MAC SMA Manager. If your MAC SMA strategy is also available in other Programs, you should consider that based on the combination of our fees and your MAC SMA Manager fees, the overall fee for your MAC Account may be higher than the total fee you would pay in other Programs. You should consider these options carefully as some may be more cost-efficient to you.

We have a conflict in recommending the services of affiliated managers in managing client accounts because this will result in higher overall compensation to us and our affiliates than if third-party managers were used.

1. ACCESS (single contract)

ACCESS offers you the portfolio management services of a select, pre-screened group of SMA strategies.

ACCESS is a "sub-advised" program in which you hire UBS to assist you in the selection of SMA strategies and authorize us to hire the SMA Manager or Overlay Manager on your behalf.

Model SMA Strategies

Currently, Model SMA Strategies are managed by a third party Overlay Manager. During the first quarter of 2026, we expect to commence a transition from a third party Overlay Manager model provide to our affiliate UBS Asset Management. See the section describing Strategist Models below for details.

For Model Strategies, the Overlay Manager manages your assets in accordance with the selected strategy as developed by a "Model Manager." The Model Manager develops the strategy and maintains an investment "Model" they provide to the Overlay Manager for implementation in client accounts. Model Managers that manage discretionary strategies based on the same Model Strategies available in the Programs will generally trade their discretionary accounts first prior to providing the model updates to the Overlay Manager. Depending on the trading volume, that trading activity can impact the price (up or down) at which clients in the Model Strategies purchase the same securities. UBS does not offer SMA strategies in which Model Managers manage discretionary strategies at UBS based on the same Models available in the Programs.

You will not enter into a separate investment advisory agreement with a Model Manager or Overlay Manager. The Model Manager will not know your identity, does not manage your Account and will generally not be a fiduciary to you in connection with the

services it provides. The investment decisions for the Model Strategies will be implemented by the Overlay Manager in accordance with the investment recommendations and instructions provided to it by the Model Manager. Model Managers provide advisory services under agreements with UBS and in some cases the Overlay Manager by providing investment recommendations for the Models. The Overlay Manager will generally implement the Model Manager's recommendations without change, subject to any investment restrictions you place on your Account, cash requests or deposits, and other operational or investment considerations. The Overlay Manager may determine, in its sole discretion, in light of operational or investment considerations, to deviate from the Model (e.g., to select another security or increase the cash allocation within a model portfolio).

By choosing a Model Strategy for your Account, you grant the Overlay Manager investment discretion and trading authority for investments in the account. The Overlay Manager has full trading authority and may invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets, without any prior notice. UBS does not select or otherwise advise the Overlay Manager in the selection of securities for your Account.

Model Manager and Overlay Manager Arrangements and Fees.
The Model Strategies are available in the ACCESS, Strategic Wealth Portfolio and Advisor Allocation Programs and CAP, with the following two arrangements and fee structures:

- **Client pays the investment management fee to the Overlay Manager.**

In this arrangement, the client pays a fee to the Overlay Manager for the services provided in implementing the Model in the strategy account. The Overlay Manager and Model Manager separately negotiate a fee to be paid by Overlay Manager to Model Manager for access to the Model, resulting in the Overlay Manager paying a portion of the client fee to the Model Manager. UBS does not compensate the Overlay Manager or the Model Manager for their services.

- **UBS pays the investment management fee to the Overlay Manager.**

In this arrangement, utilized for Strategist Models (see "Strategist Models" below), the client does not pay a separate investment management fee. UBS compensates the Overlay Manager for its services out of its own resources. The Model Manager is not paid an account management fee by UBS or clients invested in the Strategist Model. The Model Manager is compensated in this arrangement by the management fees the Model Manager or its affiliate(s) receive for the management services it provides to the Model Manager's proprietary products (generally mutual funds and ETFs) the Model Manager includes in the Strategist Models. For select strategies, the Overlay Manager may offer additional, premium services such as tax management. If you select a strategy with premium services, you will be responsible for paying the Overlay Manager fee for those services. The Overlay Manager fees for models that include a premium offering such as tax management range from 10bps to 13bps.

UBS does not collect revenue sharing for assets invested in the Strategists Models. Model Managers for the Strategist Models provide additional compensation to UBS in the form of revenue sharing for Model Manager's proprietary mutual funds included in the models. ***See Mutual Fund Revenue Sharing.*** In the Strategist Model fee arrangement, due to the compensation arrangement described above, the Model Managers will in most circumstances exclusively utilize only their proprietary products, such as mutual funds or exchange trades funds, when selecting investments for the model. The Model Manager receives compensation for investments in their proprietary products and therefore has an incentive to include them in the model(s). By doing so, the Model Manager is not considering alternative products from other firms that may have features, including cost and fee structures, that may be preferable as compared to the Model Manager's proprietary products. When selecting products from among its proprietary products for inclusion in the Model, Model Manager will have an incentive to choose products that pay them higher fees. The Model Manager may also have trading or other policies that favor the Model Manager's proprietary products and directly managed strategies over the Strategists Models on the UBS platform. The respective Form ADV disclosure brochures for the Model Manager and the Overlay Manager will provide additional important information regarding these arrangements.

Review of Model Managers and Overlay Managers
The Model Manager and Overlay manager are subject to the research process applied to all researched SMA Managers. As is standard in the ACCESS, Strategic Wealth Portfolio and Advisor Allocation Programs, UBS can replace or terminate a Model Manager or Overlay Manager with notice to you.

Strategist Models
Strategist Models are separately managed account models ("Strategist Models") provided by affiliated and third-party investment managers ("Model Managers") to a third-party manager we have selected to serve as an overlay manager (the "Overlay Manager") to implement the model in strategy client accounts. The Strategist Models consist of a selection of securities identified by the Model Manager in various assets classes, holdings and weightings that are designed by the Model Manager to meet the objectives of a particular investment style or discipline. Model Managers provide changes to the Strategist Models directly to the Overlay Manager for implementation.

Change to Overlay Manager for Strategist Models.

The Strategist Models are currently managed by a third-party Overlay Manager. In the first calendar quarter of 2026, we anticipate changing the Overlay Manager for Strategist Models to our affiliate UBS Asset Management. Impacted clients will be notified of the change, the impact on their accounts as well as the effective date of the change. While the investment objectives of the strategies, investment advisory fees and investment restrictions will remain the same, clients who currently delegate proxy voting authority to the Overlay Manager will instead delegate authority to Institutional Shareholder Services, unless they change their election. Clients may also change their investment strategy selection and not invest in the Strategist Models. Accounts enrolled in the Strategist Models on the effective date of change will be converted to be managed by UBS Asset Management as Overlay Manager.

UBS Financial Services Inc. and UBS Asset Management both are wholly owned subsidiaries of UBS Group AG. This change is the result of a strategic initiative between UBS Financial Services and UBS Asset Management which is expected to be economically beneficial to both entities and entails a multi-phase conversion to a Model Delivery structure for many SMA strategies.

UBS Asset Management has extensive experience in discretionary asset management. Acting as an Overlay Manager within a Model Delivery structure, however, represents a new and developing business line for UBS-AM. UBS AM's business plans, resources, trading practices and organizational framework have been

thoroughly reviewed to confirm their ability to provide the expected services in a manner consistent with clients' best interest. However, it is important to note that this is a new business activity for UBS AM and it does not yet have the same depth of experience in overlay management as other entities with more established practices, including the current third-party Overlay Manager.

By selecting UBS Asset Management as Overlay Manager we have a conflict because the fee paid to our affiliate as Overlay Manager is less than that paid to the third-party Overlay Manager resulting in a cost savings to UBS Financial Services and a revenue increase to our affiliate UBS Asset Management. The Overlay Fee paid to UBS Asset Management is subject to breakpoints and decreases as assets under management increase.

In addition, as part of the strategic initiative between the entities, UBS Financial Services will pay UBS AM a reduced fee for SMA Advantage strategies as compared to the fees it pays third party SMA managers resulting in additional cost savings to UBS-FS.

2. Managed Accounts Consulting (MAC) (dual contract)

MAC Manager Research. We provide different levels of SMA Manager due diligence and reviews in our MAC program. The level of due diligence we undertake varies depending on whether a Manager's strategy is considered MAC Researched or MAC Eligible. Please see *"Portfolio Manager Selection and Evaluation—Selecting an SMA Manager; Our Investment Manager Evaluation Process."*

MAC SMA Manager Fee: In the MAC Program, you are solely responsible for negotiating your investment management agreement and the SMA Manager fees directly with the manager. We will not hire your MAC SMA Manager nor will we negotiate fees or execute agreements on your behalf, unless you have delegated such responsibility to us in UBS-CAP through one of the Limited Power of Attorney implementation options. However, even in those circumstances our negotiations on your behalf are limited to fees (as long as there is an LPOA) and not to any other contractual matters. You should consider that based on the combination of our fees and your SMA Manager's fees, the overall fee for your MAC account may exceed 3% of the account value. ***The services we offer through MAC may be available to you on a more cost-efficient basis in other UBS programs. You should consider all those options and costs carefully before selecting an SMA Manager and an SMA Program.***

Important information regarding Options Overlay Strategies

Options Overlay Strategies are available in MAC.

Options Overlay Strategies seek to generate income through the strategic sale and purchase of index or equity options. Most of these strategies are designed to perform best when the markets are relatively range bound and/or historical patterns of market volatility in the market persist. Some strategies perform best when markets are increasing and others while markets are decreasing. Option writing strategies are most challenged and are not designed to perform well during periods when markets make extreme directional moves and/or experience extreme changes in volatility. The options trades are collateralized with marginable securities such as bonds, stocks or cash held in an account. Using the margin release of securities in order to purchase or sell short the options positions for the Options Overlay Strategy is known as leverage. You may be required to contribute additional cash or securities as collateral to support the strategy. The maximum losses incurred can be significantly higher than the premiums received. As a result, the potential downside risk of the strategy exceeds the potential upside gain. In addition, it is possible that the investment advisory fee you pay for this strategy or any losses resulting from this strategy could potentially cause a margin debit to occur. Carrying a margin debit would cause margin interest to be charged. The interest rate charged on any negative balances (margin loans) may exceed the rate of return on accounts the client uses as collateral. Options are complex instruments that are not suitable for every investor, may involve a high degree of risk, and may be appropriate investments only for sophisticated investors who are capable of understanding and assuming the risks involved.

Options Overlay Strategies are aggressive and carry a high degree of risk. You should not authorize the use of sophisticated option strategies unless you are prepared to sustain large losses. You should understand the risks of options trading and margin borrowing thoroughly before investing in this type of strategy. Investing in an Options Overlay Strategy will involve the use of leverage, which increases the risk associated with your collateral accounts, in some instances substantially, especially for collateral accounts that have an account profile of conservative or moderate, and as a result, increases your overall risk profile. In addition, you should see the section of this brochure which further describes the risks and potential conflicts of utilizing margin and lending in our investment advisory programs. The Program Fee imposed for the Options Overlay Strategy is in addition to any commissions, fees, or advisory fees you are charged on the accounts you use as collateral. Specifically, for Advisory accounts used as collateral, we will include any margin balances in the calculation of your account's asset based fee; the use of margin in your advisory account will increase the compensation paid to UBS FS and our affiliates.

Concentrated Equity Solutions

The MAC Program offers Concentrated Equity Solutions ("CES"). CES are separately managed account ("SMA") strategies that seek to address the risk (specific to an individual equity security, rather than general market risk inherent in equity securities) associated with a concentrated individual equity holding. Generally, these strategies implement the strategy objectives using options trades on a client's existing concentrated equity position. Options are complex instruments and you should ensure you understand their features and risks, as well as how they will be utilized by the strategy manager, before investing in a CES strategy. These strategies have various investment objectives typically seeking to generate cash flows from options premium, help exit a stock holding, or provide a degree of downside protection should the stock go down in value. The pursuit of these objectives will limit (to varying degrees depending on the strategy) your ability to fully participate in potential future appreciation of the stock price.

CES strategies where covered calls are written against the underlying stock position will significantly reduce the investor's upside participation in the underlying concentrated equity position, especially during rapidly rising markets. The asymmetric return profile of the option component of covered call writing strategies (limited upside benefits for strategy investors, as compared to much greater potential downside risk) can be attributed to the strategy's negatively skewed return characteristics. If the account incurs losses in connection with repurchasing outstanding call option positions and the losses are not offset by the option premiums received, investors will need to fund the account to close the outstanding option positions. Therefore, strategies that include covered call writing should only be considered by investors with the ability to deposit additional cash into the account to offset potential losses in their option positions over time.

Concentrated Equity Solutions Manager Fees

For CES strategies, the manager is not involved in the selection of the underlying stock position(s) held in the account and will manage the account in order to pursue the strategy in connection with the underlying stock position(s) you deposit in the account. Although the CES strategy manager will not research or manage the underlying equity positions held in the account, the asset-based billing for your CES strategy advisory account will include billing for the value of the concentrated equity position held in the account.

Certain CES strategies will require the account to be approved for margin which means you may incur a margin debit balance in your account. We charge interest according to our Firm's usual credit practices if payment of our fees or certain trading/market activity results in a debit balance in your Account.

A portion of your CES Advisory Account may be held in cash, cash equivalents or money market instruments which are subject to the Program Fees so long as they remain in the account. Some CES strategies seek to generate cash flows and, therefore, cash may accumulate in the account over time. CES strategy managers do not manage cash positions in the account. Cash, however, may be utilized to cover security purchases made by the Investment Manager. Since you will be billed advisory fees on the cash held in the account, you should monitor the levels of cash in your CES account over time to determine if such levels are necessary for the account based on your selected strategy.

Concentrated Equity Solutions Account Performance

The underlying stock position deposited into the CES account will be unique to each client and, therefore, performance for each CES investor will vary significantly.

Management of Your SMA Account and SMA sub-accounts in SWP and AAP. For the SMA Programs described in this brochure and the SMA sub-accounts in SWP and AAP, your SMA Manager has the sole authority to manage your account (or the portion they manage in SWP and AAP, referred to as sub-accounts), and will make all investment decisions for your account/sub-account without discussing these transactions with you or us. Your SMA Manager will generally be limited to investing in those securities classified as eligible for the program you selected. Please see *"Account Requirements and Types of Clients—Eligible and Ineligible Assets"* for a description of our practices and consult your Financial Advisor for the specific details regarding asset/security eligibility in your program.

We will execute transactions in your program accounts/sub-accounts based on the instructions we receive from your SMA Manager. In addition, neither UBS Financial Services nor your Financial Advisor will have discretionary authority with respect to, nor will we solicit your SMA Managers regarding, the purchase or sale of securities for your SMA accounts/sub-accounts.
We are not responsible for:

- Your choice of SMA Manager
- Their day-to-day investment decisions (including their selection of tax lots for sale or redemption)
- Their performance
- The SMA Manager's compliance with applicable laws, rules or regulations
- The SMA Manager's compliance with best execution obligations
- Other matters within the SMA Manager's control, including implementation of your rebalancing election where the manager has assumed the responsibility to manage your account.

We reserve the right to refuse to execute any transaction in our program accounts if we reasonably believe that it would violate any applicable law or rule—including the rules of any regulatory agency or self-regulatory organization. We may also refuse to execute any transaction that would be inconsistent with any of our policies and procedures.

3. Asset Allocation Services in our Non-Discretionary, Unified Managed Account, Portfolio Advisory Programs and Alternative Investments Advisory Programs

We will provide you with an asset allocation proposal for accounts you establish in our UBS-CAP, CAP Select, PACE, Strategic Advisor, Strategic Wealth Portfolio and Advisor Allocation Programs. For non-discretionary Programs, your Financial Advisor will review the results of your Risk Profile Questionnaire with you and assist you in developing an asset allocation for your Advisory Account, your UBS-CAP, CAP Select portfolio, or your IC portfolio. For AAP, your Financial Advisor has discretion to select the asset allocation of your AAP Account based on the results of your Risk Profile Questionnaire. The asset allocations are based on the information you provided to us in your Risk Profile Questionnaire and discussions with you regarding an appropriate allocation (Target Allocation) of your Program Assets. The Target Allocation represents an investment strategy that seeks to balance your investment objectives with your risk tolerance.

You may accept the Target Allocation for the Program Assets in your Account, or your UBS-CAP, CAP Select, or IC Portfolio, or you may customize it based on your preferences to include different asset categories or different allocations to one or more asset classes as long as it is consistent with the risk tolerance and investment objectives for your Account or CAP or IC Portfolio. You may consult with your Financial Advisor about these choices. The allocation you or your AAP Financial Advisor select for your Target Allocation is intended to be the basis for the initial and ongoing investment advice of your Program Assets. However, you, or your Financial Advisor in AAP, may decide to implement your Target Allocation over a period of time, or change it from time to time as long as it does not exceed your stated risk tolerance. Once you or your AAP Financial Advisor select your Target Allocation, we will implement the Asset Allocation without taking into consideration your potential tax consequences.

If the allocation includes SMA accounts/sub-accounts, the SMA Managers manage their strategies and trade their accounts/sub-accounts independent of each other. In addition, when reducing the allocation to an SMA account/sub-account, we generally do not transfer securities to other accounts/sub-accounts. This can result in you holding and transacting in the same securities across different accounts/sub-accounts, including sales and purchases of the same security in a short timeframe or during rebalancing or reallocation.

Implementing and changing the Target Allocation, rebalancing and other transactions may result in tax consequences to you. You are responsible for any tax liabilities which result from transactions in your Account(s) (including any redemptions or upon the termination of participation in the Programs). Please consult a qualified tax professional regarding the potential tax implications of these transactions before investing in these Programs. For more information on our asset allocations please *see "Methods of Analysis, Investment Strategies and Risk of Loss—*

Our Asset Allocations."

Due to the non-discretionary nature of your SWP, PACE, Strategic Advisor accounts, Client Directed CAP and CAP Select options, and IC non-discretionary Program it is your responsibility to determine whether and how to implement the target asset allocation/investment strategy, and to ensure that your asset allocation continues to be consistent with your goals and risk tolerance over time. **The asset allocation for UBS-CAP and IC encompasses all Advisory Accounts in your UBS-CAP Portfolio or IC Portfolio respectively, while for other Programs, your asset allocation reflects only your assets invested in your individual Program Account** and do not constitute advice regarding other accounts, whether held at UBS or elsewhere.

You may deviate from your target asset allocation only by a pre-determined level based on your risk tolerance. The rebalancing feature, where available, will assist you in maintaining your Account(s) in line with your target asset allocation. However, deviations from your Target Allocation or risk tolerance will occur for a variety of reasons, including fluctuations in the market value of securities, any investment restrictions you impose on the management of the account, any tax selling agreement, or for accounts that do not meet the rebalancing thresholds. See **Rebalancing Your Asset Allocation** for information about Programs that offer rebalancing options and the rebalancing process overall.

We will notify you if your allocation shifts and is no longer consistent within your risk profile and if those inconsistencies continue for a period of time. You are responsible for addressing any inconsistencies between your asset allocation and your risk tolerance. If you do not take action to update the account profile or modify your asset allocation, the account may be terminated.

Your Program Fees will be assessed regardless of whether or not you follow our recommended allocation.

4. Unified Managed Account Programs: UBS Strategic Wealth Portfolio Program (SWP) and Advisor Allocation Program (AAP)

The Advisor Allocation Program and Strategic Wealth Portfolio Program are Unified Managed Account Programs that offer different levels of discretion to accommodate individual client preferences. SWP and AAP share certain features, services and basic requirements which are outlined below. Both Programs offer the option to invest in SMA strategies, mutual funds and ETFs which are held in separate "sub-accounts". The primary difference between the SWP and AAP Programs is the level of discretion you will delegate to your Financial Advisor. If you or your Financial Advisor selects SMA strategies for your Account, you will be charged the applicable SMA Manager Fee or Premium Services Fee, which will vary depending upon the strategy, in addition to the UBS Investment Advisory Fee.

UMA Account Structure: Depending on your asset allocation, your Account will be invested in a combination of investment products—including individual equities or fixed-income in the SMA sub-accounts,– mutual funds, exchange traded funds and other securities available through the Programs. In both Programs, your assets will be held in one account, but divided within that account into investment sub-accounts. For example, your assets may be divided among SMA sub-accounts and a subaccount with mutual funds and ETFs. The sub-accounts offer different levels of discretion, features, and services as described below.

- The SWP Program requires a minimum of 3 investments, or at least 2 if both are SMA sub-accounts.

- The AAP Program account requires a minimum of 5 investments if the allocation includes only mutual funds and ETFs, or at least 3 if one is an SMA sub-account.

Currently each of these Programs have a maximum of 35 sub-accounts.

SWP Non-Discretionary Services by UBS Financial Services Inc.: If you select to include SMA strategies in your SWP Account, the SMA Manager(s) you select will manage those assets on your behalf on a discretionary basis. The Advisory services we provide to you in SWP are non-discretionary —meaning that you retain sole discretion over the purchase and sale of mutual funds, ETFs and the selection of SMA strategies for your Account and must authorize each transaction and SMA manager selection in advance. If you select SMA strategies for your Account, the SMA Managers will manage the assets allocated to them on a discretionary basis without the input or recommendation of your Financial Advisor. You may impose investment restrictions for the assets managed by SMA Managers. You may not impose investment restrictions for the mutual funds and ETF sub-accounts. Note that Accounts without an SMA sub-account are serviced on a fully non-discretionary basis with the client retaining all investment decisions over the assets invested in those Accounts. The SWP Program does not offer overlay management services at the Account level.

AAP Discretionary Services: Your Financial Advisor has discretion to: (1) select a Target Allocation based on your responses to the Risk Profile Questionnaire; (2) implement the Target Allocation by investing in mutual funds, ETFs and researched SMA strategies, including those managed by UBS affiliates; (3) change the Target Allocation and investments at any time as long as those changes remain consistent with the risk profile and investment objectives you provided for your Account; (4) establish, and change, the rebalancing frequency and thresholds which are designed to maintain your Account in line with the Target Allocation. Your Financial Advisor can rebalance or reallocate the account at any time. The initial Target Allocation, investments and rebalancing thresholds for your AAP Account will be described in a written proposal and we will notify you when your Financial Advisor makes changes. Your Financial Advisor has discretion over the purchase and sale of mutual funds and ETFs and the selection of the SMA strategies in AAP, however, only the SMA manager has discretion over the purchase and sales of assets in the SMA sub-accounts.

SMA Sub-Accounts; Management of Your Account; Discretionary Authority of Separately Managed Assets.

The SMA sub-accounts in SWP and AAP are managed as in the ACCESS Program on an individual basis by the selected SMA Manager(s). See above for descriptions of the types of strategies available and the ACCESS Program.

The SMA Managers will manage the SMA sub-accounts on a discretionary basis and are responsible for rebalancing the SMA sub-account they manage. (See Item 5D below for additional information on Execution and Trading Practices). Neither UBS Financial Services nor your Financial Advisor will have discretionary authority with respect to, nor will we solicit your SMA Managers regarding, the purchase or sale of securities for your SMA accounts/sub-accounts.

Transactions in Mutual Fund and ETF Sub-Accounts

The following rules apply to mutual fund and ETF purchases

authorized by you in SWP ("Non-Discretionary Asset") or purchased by your Financial Advisor in AAP ("FA-Discretionary Assets"):

- All purchases and redemptions of Non-Discretionary Assets and FA Discretionary Assets, as applicable, will be made proportionally based on the Target Allocation selected for the Account.
- Investments will be subject to maintaining the minimum cash level required for billing and other liquidity needs, and to meet the minimum trade requirements (currently $200 and subject to change).
- The initial cash level will be approximately 1% of the asset value of the Non-Discretionary Assets or FA Discretionary Asset sub-account, as applicable, and can fluctuate between 0.5% and 1.5%. If the cash level is outside of this range, the sub- account will be rebalanced to a cash level of approximately 1%; however, if the trade dollar amount required is at or below the minimum trade requirement, no trades will be executed. The per-share value of certain investments can cause the cash level to exceed 1.5% of the asset value of the Non-Discretionary Asset or FA Discretionary Assets sub-account, as applicable. In the event the cash level does increase, it will be maintained at this higher percentage.

All account changes, including transactions in Non-Discretionary Assets, are subject to a systematic administrative review to ensure consistency with your Target Allocation. We will also ensure that any required paperwork is complete. As a result, transactions are not executed until after the administrative review is completed, and it may take several days for your allocation changes to be effected in your account. Because prices fluctuate during the trading day, the prices you receive at the time the trades are executed may be better or worse than the prices at the time you authorized the changes to your account.

Rebalancing and Reallocation of your SWP and AAP Asset Allocation

The SWP and AAP Programs offer several rebalancing options. See below, **Rebalancing Your Asset Allocation**: Rebalancing Options, Process, Thresholds and Limitations for a description of rebalancing.

For information about our asset allocation services, see Asset Allocation Services in our Non-Discretionary, Unified Managed Account, Portfolio Advisory Programs and Alternative Investments Advisory Programs.

Contributions and Withdrawals: Contributions to and Withdrawals from your SWP and AAP Accounts will be handled as follows:

(i) Cash contributions will be allocated to the most under-weighted sub-account(s), relative to the target weight of the investment strategy selected.
(ii) If you contribute securities to your account, either UBS and/or your SMA Manager will liquidate those securities and allocate the proceeds to the most underweighted sub-accounts first.
(iii) If you request a withdrawal from your Account, monies will be withdrawn from the overweighted sub-account(s) with the greatest deviation from the Target Allocation. We will follow that process unless those withdrawals would result in the sub-accounts falling below their respective investment minimum. In those circumstances, withdrawals will be made first, proportionally, from those sub-accounts that do not have investment minimums. Withdrawals that cause the value of any sub-account to go below the respective investments' minimum may require that you (for SWP) or your Financial Advisor (for AAP) change the target weightings of your investment strategy or select new investments in order to meet investment minimums.
(iv) If you do not withdraw the cash from the account within 35 days it will be reinvested according to the Program funding rules. We will continue to charge the Program Fee on cash until it is withdrawn.

G. Non-Discretionary Advisory Programs

Depending on your Program selection, your account will be invested in the following manner:

PACE: all mutual funds

Strategic Advisor: A combination of equities, open- and closed-end mutual funds, ETFs, fixed-income securities, approved unit investment trusts (UITs), options, certain alternative investments, structured products and other securities.

Both PACE and Strategic Advisor are asset allocation programs. ***Please see the section "Asset Allocation Services in our Non-Discretionary and Unified Managed Account Programs" for information about our asset allocation services, notification process for inconsistencies between your Target Allocation and Risk Profile.***

Transactions for Your Strategic Advisor Account and PACE Asset Allocation. We will execute transactions for your Strategic Advisor account and PACE investments based solely on your instructions; and neither UBS nor your Financial Advisor will have any discretion over the investment of your Program assets in the PACE and Strategic Advisor accounts.

Unsolicited Transactions. You may execute security transactions that we have recommended to you (solicited transactions) as well as select transactions in Strategic Advisor you execute without consultation with, or recommendation from, us (unsolicited transactions on eligible investment products). These unsolicited transactions are solely your responsibility and neither UBS nor your Financial Advisor will act as your investment adviser with respect to those transactions.

The advice and guidance of your Financial Advisor is a key service of the Programs. A pattern of unsolicited trading may indicate that the Program you selected is no longer appropriate for you as you are not leveraging the advice of your Financial Advisor. This may result in the revocation of your online trading access (for Strategic Advisor Accounts) and/or termination of your Account from the Program. Strategic Advisor is the only advisory program that provides clients with access to online trading. Clients with Strategic Advisor Accounts enrolled in the IC Program are not eligible for access to online trading.

After you have completed an unsolicited transaction and have acquired a security on your own and without our advice, for so long as you hold that position in your Program Account, we will take that asset into consideration:

as part of your overall account assets,

when we give you periodic asset allocation advice,

when we value your account holdings,

when we provide you with analyses and reports on your account's performance, and

we may also make recommendations that you consider selling the asset if, and when, we deem it appropriate.

As a result, we will include any security you acquire in an

unsolicited transaction as part of your account assets in calculating your Advisory fee if you continue to hold the asset in your account.

1. UBS Strategic Advisor Program Eligible Assets and Non-Billable Assets in Strategic Advisor

The Section *"Account Requirements Eligible and Ineligible Assets"* describes our general policies regarding eligible assets in our Advisory programs. Strategic Advisor provides a greater level of flexibility than other Advisory programs as it pertains to eligible assets—i.e., those assets held in your account that are subject to our advice.

Specifically, the Strategic Advisor program permits you to hold, **but not to purchase,** certain assets deemed ineligible in other programs such as the following:

- B share class and C share class mutual funds
- Open-end mutual funds not approved for the Program
- UITs not approved for the Program
- ETFs and closed-end funds not approved for the program
- Alternative investments not approved for the Program, including hedge funds, hedge fund of funds, managed futures, and restricted stock.
- Private equity, private real estate funds, and private placements are not eligible to be held or purchased in a Strategic Advisor account even if the asset is non-billable, except for certain REIT funds and accounts grandfathered under prior guidelines.

While these assets may be held in Strategic Advisor Accounts, and therefore subject to our ongoing advice, they are excluded from the calculations of your Program Fees due to the additional compensation that we receive in connection with those investments. These "Non-billable assets" will not be included when determining the minimum account opening requirement, but they will be included in the performance reports for your Strategic Advisor account.

Strategic Advisor Accounts holding Eligible Non-Billable Assets may not be enrolled in UBS-CAP or the IC Program.

2. PACE—Personalized Asset Consulting and Evaluation

Note: This subsection also includes a description of rebalancing features and processes relating to the SWP and AAP Programs (see **Rebalancing Your Asset Allocation: Rebalancing Options, Process, Thresholds and Limitations**, below).

PACE Select Advisors Trust ("PACE Select") and PACE Multi Advisor ("PACE Multi") Programs

PACE Select and PACE Multi share certain features, services and basic requirements which are outlined below. PACE combines our ability to evaluate your investment objectives and risk tolerance with professional investment advice and offers the convenience of style specific mutual funds in PACE Select, and a broad array of mutual funds (non- proprietary and proprietary) available in PACE Multi.

In PACE Select, you may choose a combination of the investment styles and asset classes available through the PACE Select Advisors Trust (the "Trust"), a series of proprietary mutual fund investment portfolios (the "Select Portfolios"). In PACE Multi, you may choose among a variety of no load and load waived shares of mutual funds ("Funds").

The PACE Select Trust is a UBS proprietary product managed by our affiliate, UBS Asset Management. PACE Multi offers both affiliated and non-affiliated mutual funds. We and/or our affiliates are compensated for providing investment management, distribution and other services to the Select Portfolios and affiliated Funds ("Affiliated Funds") available through these Programs.

In addition to our wrap fee services, a PACE client also receives the following services:

Asset Allocation and Investment Selection. There are differences in the allocations and investment options available in PACE Multi and PACE Select. The PACE Multi default for equity allocations is a Large-Mid-Small allocation. PACE Select only offers a Large/SMID ("SMID" is a combination of small and mid-cap mutual funds) asset allocation for the equity portion of your investment.

Based on your Questionnaire, we will recommend a mix of asset classes that are consistent with your tolerance for risk. Once you select an appropriate asset allocation for your Program Assets and investments from the investment styles available in each Program, we will execute those transactions in your Program Accounts according to your Target Allocation.

You will make all investment decisions in the Program other than automatic service transactions, if you choose that option (described under "PACE Automatic Investment Options"). Your account contributions and withdrawals will be invested and redeemed in accordance with your Target Allocation.

Please see "***Classification and Availability of Investments, SMA Managers, Mutual Funds, Alternative Investments and PACE Select Trust Portfolios"*** for a description of our practices regarding the availability of investments in our Programs.

Removal of a fund from the Program may cause you to have a taxable event or incur other costs. If you are invested in a discontinued Select Portfolio or fund, your Financial Advisor can help you determine what action to take. You may decide to replace the discontinued Select Portfolio or fund or sell your shares. We will notify you of the removal or termination of a Select Portfolio or fund and will indicate what action, if any, is suggested. If we discontinue a Select Portfolio, you may incur a tax liability.

PACE Select:

You may choose from among the following fifteen (15) Select Portfolios of the Trust:

1. UBS Government Money Market Investments
2. PACE Mortgage-Backed Securities
3. PACE Municipal Fixed Income
4. PACE Intermediate Fixed Income
5. PACE Strategic Fixed Income
6. PACE High Yield
7. PACE Large Cap Value
8. PACE Large Cap Growth
9. PACE Small/Medium Value
10. PACE Small/Medium Growth
11. PACE International Equity
12. PACE Global Real Estate
13. PACE International Emerging Markets
14. PACE Global Fixed Income
15. PACE Alternative Strategies

PACE Multi Advisor: You may choose shares of non-affiliated funds and certain designated share classes of affiliated funds and an affiliated money market fund.

Account Structure, Fund Eligibility and Impact on PACE Multi Asset Allocation.

The PACE allocation is held as a separate investment or sub-account in a brokerage account. As a result, you may buy and hold assets in your account that are not invested through the PACE Program, including mutual funds that are not eligible in PACE ("Non-PACE Assets").

You do not need to liquidate securities prior to your participation in PACE because you may hold those securities in your brokerage portion of your account. Neither UBS nor your Financial Advisor will act as your investment adviser with respect to your Non-PACE assets. We will execute transactions in your Non-PACE assets as you direct, as your broker-dealer, and will charge you our customary brokerage commissions or other fees. The PACE Fee does not apply to these other assets or transactions. Non-PACE assets will not be included in your PACE asset allocation or performance report but will be included in your account statements.

We review our offerings in the PACE Multi Program periodically and make new funds eligible for the Program. If a new fund or new share class is made eligible in PACE Multi and you already own that fund or share in the same brokerage account in which you hold the PACE allocation, those existing holdings will be automatically moved to your PACE allocation when the fund/share is made eligible. **Those changes may impact your asset allocation and risk tolerance as well as increase the level of assets on which the PACE fee is charged. You will need to include a target allocation for such funds in order to avoid liquidation upon account rebalancing (see below)**. These changes should be discussed with your Financial Advisor.

Automatic rebalancing will consider all eligible funds whether a target allocation is established or not. If an eligible Fund does not have a target allocation assigned to it, it will be fully liquidated. If you have a target allocation to a fund not currently held in your PACE account, it will be purchased. By executing the Relationship Agreement you authorize us to liquidate and purchase those positions, as applicable under the circumstances. We are not responsible for the tax implications of such liquidations.

The shares will be included for performance purposes once they are eligible regardless of how long they are held. **The newly eligible fund or share class will be included in the calculation of the account's average daily balance during the applicable quarter and will be included in your Program Assets on the last day of the quarter for billing purposes unless the exception explained above applies. Please see Item 5.C. *Billing Practices* for details.** See also **Transferred Shares** for a description of billing practices applicable to Transferred Shares.

PACE Automatic Investment Options. We offer several automatic investment options to PACE Multi and PACE Select clients, including:

- Automatic Rebalancing
- Automatic Redemptions
- Automatic Purchases

The investment options are administrative in nature and will normally be done on the day or date selected by you on the application. We may delay the processing of these services under certain circumstances as described below.

Rebalancing Options. The PACE Program includes mandatory annual rebalancing. Your PACE asset allocation will be reviewed automatically for rebalancing on an annual basis unless you choose to have rebalancing occur on a semi- annual basis or quarterly basis. See: **Rebalancing Your Asset Allocation** for a description of the rebalancing process, thresholds and limitations.

PACE Automatic Purchases. You may choose to have funds automatically invested based on your Target Allocation, with an amount between $250, an amount determined by UBS, or an amount you specify. Depending on your selection, funds will be invested as follows:

Monthly: on the 15th of every month (or, if the 15th is not a business day, the next business day), or the last business day of every month,

Quarterly: the last business day of every calendar quarter.
You may also designate the duration of your automatic purchases or the total target investment amount on the Application. The contribution will first buy the Funds/ Portfolios that are underweighted, as compared to your Target Allocation and then invest the remaining portion according to the Target Allocation.

We process this service by automatically withdrawing the designated dollar amount from your brokerage account (either cash balances or money market redemption proceeds) and subsequently investing in PACE Program Assets. If there are insufficient funds in your account on the trade date to purchase the full amount specified in your PACE Application, no purchase will be made.

If you invest Plan assets through PACE and select the automatic purchase option, please note that you must carefully monitor your contributions to prevent them from inadvertently exceeding federal limits on your annual contribution.
As of the date of this Brochure, depending on your account type and/or account ownership, the following cash sweep options from the brokerage account that holds your PACE asset allocation are available for the PACE auto services: UBS Bank Sweep Programs, UBS FDIC-Insured Deposit Program, UBS RMA Government Money Market Fund or UBS Liquid Assets Government Fund.

PACE Automatic Redemptions. You may have $250 or more of Program Assets redeemed automatically from Program Assets in proportion to your Target Allocation. Based on your instructions, redemptions will be processed so that cash is available in your account on:

the 15th (or, if the 15th is not a business day, the prior business day) of every month,

the last business day of every month, or

the last business day of every calendar quarter.

Shares will be redeemed from each fund that is currently overweighted as compared to your Target Allocation and then redeeming the remaining portion according to your Target Allocation. Additional methods in which a client may redeem shares may be introduced including offering redemptions on a pro-rata basis. We will request redemption two Business Days before the date you select, or such other date as may be necessary to ensure that cash is available in your account on the date selected. **Redemption proceeds are deposited in your account and are not automatically forwarded to you**.

Automatic Redemptions: If an automatic redemption causes PACE Program Assets to be reduced below levels that impact the management or servicing of the Account, we may ask you

to restore your Program Assets to the amount of the Opening Date account minimum within 30 days. If you do not restore your Program Assets to this minimum as requested, we will have the right to terminate your participation in PACE.

No automatic redemption will occur if (i) insufficient shares in any Fund are available to process the redemption proportionately in accordance with your Target Allocation; (ii) when the auto redemption request is greater than the account value; and (iii) the redemption request pertains to fund no longer eligible in the Program.

We may delay the automatic services described above under certain circumstances to ensure the orderly processing of services. See "Delays in Rebalancing Process and Automatic Services."

Rebalancing Your Asset Allocation: Rebalancing Options, Process, Thresholds and Limitations

PACE Program: includes mandatory annual rebalancing. Your PACE asset allocation will be reviewed automatically for rebalancing on an annual basis unless you choose to have rebalancing occur on a semi- annual basis or quarterly basis. and will bring your asset allocation back to your target allocation, overriding the Rebalancing Thresholds described below.

SWP: you must select a rebalancing option (annual, semi-annual or quarterly) and threshold when you establish an Account in the Program.

AAP: your Financial Advisor can rebalance or reallocate the AAP Account at any time and will also select an automated rebalancing option (quarterly, annual or semi-annual) to help ensure the account remains aligned with the Target Allocation.

In addition to automatic rebalancing, you have the option to rebalance upon request at any time.

Your PACE, SWP and AAP Program Assets will be automatically reviewed for rebalancing to your Target Allocation based on the rebalancing frequency selected for the Account.

Rebalancing Thresholds: Rebalancing will occur (subject to our minimum trade requirement) if, on the rebalancing date, your Account is above the minimum funding requirement and the current allocation in any one PACE eligible mutual fund or SWP/AAP sub-account deviates from their Target Allocation by more than 3%, 5% of the total Program Assets, or 10% for taxable accounts ("Rebalancing Thresholds"). Taxable accounts have the option of selecting annual rebalancing when there is a deviation of more than 10% from the Target Allocation in any mutual fund in PACE or SWP / AAP sub-account. For example, in an account that rebalances annually with a +/- 5% deviation, a mutual fund in PACE or SWP / AAP sub-account with a 30% target allocation would trigger a rebalance if its value reached 25% or 35% of the account value.

Automatic Rebalancing to the Client Target Allocation – with updates to the Capital Market Assumptions (Available to PACE Select clients only) – By selecting this option, you elect to have Program Assets reviewed, and if necessary, automatically rebalanced on a periodic basis to be consistent with the UBS capital market assumptions. Your Client Target Allocation is based on our proprietary capital market assumptions; those allocations may be updated and may change periodically. Your affirmative consent is not required to implement these changes; however, you will receive notice and an opportunity to elect out of automatic rebalancing when we change the Asset Allocation. When the automatic rebalance is performed, the rebalance will override your 3%, 5% or 10% threshold which was elected when your PACE account was opened. Additionally, we may re-schedule your rebalance earlier or later than your scheduled annual, semi-annual, or quarterly rebalance if necessary in order to rebalance your account when the Capital Market Assumptions are updated.

Accounts are rebalanced as follows:

- **Annual rebalancing:**
  - PACE: Annual Rebalancing will occur on or near 13 months from the anniversary of your account opening date, and then, subsequently, 13 months from the previous rebalance date. Accounts scheduled for annual rebalancing in Nov/Dec will be rebalanced in January to avoid tax trading at year end.
  - SWP/AAP: generally will occur during the week following the anniversary of your account opening date.
- **Semi-annual rebalancing:**
  - PACE: Semi-Annual Rebalancing is generally done in February and August.
  - SWP / AAP: generally will occur during the week following each sixth month (180 day) and annual anniversary of your account opening date.
- **Quarterly rebalancing:**
  - PACE: Quarterly Rebalancing is generally done during the third week in February, May, August and November.
  - SWP / AAP: will generally occur during the week following each three month (90 day), sixth month (180 day), nine month (270 day) and annual anniversary of your account opening date.

- SWP / AAP Accounts scheduled for rebalancing (quarterly, annual, semi- annual or automatic) in November, December and January, will be rebalanced in or around the first week of February of the following year to avoid any impact to tax trading at the end of the year.

- Automatic rebalancing for any account where the risk of the current allocation is higher (more aggressive) (or, for AAP, also lower) than the Account's stated risk tolerance for 6 consecutive quarters for SWP and PACE and 4 consecutive quarters for AAP will take place during the 7th quarter for SWP and PACE, and the 5th quarter for AAP

- Rebalancing will bring your asset allocation back to your Target Allocation, overriding the Rebalancing Threshold selected or applicable to the Account. If in the 7th quarter for SWP and PACE or 5th quarter for AAP, the account comes back into its risk band but is still out by the Rebalancing Threshold selected, the account will be rebalanced according to the option selected for the Account. Your Advisory Account Review will show whether your allocation is no longer within the standard deviation range for your stated risk profile.

In addition, regardless of the Rebalancing Threshold selected, automatic rebalancing will be conducted based on the following program guidelines:

- In SWP and PACE, single mutual fund or exchange traded fund (ETF) position concentration, as applicable, of 70%. If the concentration of a single fund exceeds this limit by 1% or more for 6 consecutive quarters, the account will be rebalanced. Rebalancing will take place during the 7th quarter

if the concentration continues to violate the guideline and will bring the asset allocation back to your Target Allocation.

- In SWP, single SMA strategy concentration of 70%. If the concentration of a single SMA strategy exceeds this limit by 1% or more for 6 consecutive quarters, the account will be rebalanced. Rebalancing will take place during the 7th quarter if the concentration continues to violate the guideline and will bring the asset allocation back to your Target Allocation.

- In AAP, single mutual fund or ETF position concentrations greater than 35% and single SMA strategy concentration of 70%. If a single fund or SMA strategy exceeds these guidelines by 1% or more for 4 consecutive quarters, the account will be rebalanced. Rebalancing will take place during the 5th quarter if the concentration remains in violation of the guideline and will bring the asset allocation back to the Target Allocation.

Note: accounts that are evaluated as part of an Advisory Account Group will have higher concentration guidelines.

Your SMA Manager(s) are responsible for the separately managed portion of your SWP and AAP Accounts, while UBS will rebalance your SWP Non-Discretionary assets and your AAP FA Discretionary Assets.

Your accounts will be rebalanced by selling investments in the overweighted mutual funds in PACE and SWP/AAP sub- accounts and purchasing a corresponding dollar amount of investments in the underweighted mutual funds or sub-accounts, as applicable. Rebalancing transactions will be processed provided that the sale and the purchase meet our trade minimums, which for PACE are the greater of $50 or 50 basis points, not to exceed $2500. A $25 dollar trade minimum will be used if all trades during the rebalance are below $50. The minimum trade requirement in SWP/AAP is currently $200. We reserve the right to change the rebalancing percentage measure or the minimum dollar amount of individual rebalancing transactions. Rebalancing is completed as promptly as possible. In the event that we are unable to initiate rebalancing as described above due to reasons beyond our control, we will initiate rebalancing as soon as practicable.

Rebalancing will not occur if the account:

- has a pending/unprocessed trade
- has a margin debit or
- value is below the minimum funding required for the target weight of the investment strategy selected; however, reallocation/rebalancing will occur for an account that is below the minimum funding required so long as the reallocation rebalancing will not further reduce the asset levels of those sub-accounts.

Rebalancing and reallocation may take up to seven (7) business days to fully implement. However, rebalancing or reallocation of fixed income strategies may take significantly longer to fully implement.

Delays in Rebalancing and Automatic Services: We will process the automatic services and rebalancing as described above unless market conditions, technology failures, illiquid securities, securities with limited redemption schedules, trading volumes, the availability of funds and orderly purchase and redemption procedures or other matters beyond our control reasonably preclude us from accurately processing on the required dates or otherwise cause delays in processing, in which case we may alter the date (day) to the next available date that such processing can be accurately completed. **In addition, we may adjust the date on which reviews and rebalancing are done, if necessary, to ensure accurate processing of the review or rebalancing. We may also adjust the rebalancing date if UBS is in the process of reviewing its proprietary capital market assumptions to avoid duplicative rebalancing of accounts and ensure accurate and orderly processing.**

Depending on the circumstances and in order to ensure the accurate processing of the automatic investment options, including rebalancing, we may take any of the following actions:

- **Alter or delay the rebalancing day to the next available date**
- **Change the rebalancing percentage for that rebalancing event only or the minimum dollar amount of the individual rebalancing transactions**
- **Process rebalancing for accounts for PACE Select and PACE Multi on different days**
- **Process rebalancing for taxable and non-taxable accounts on different days**
- **Rebalance all accounts based on a random rotation process**

We may also suspend a rebalancing event or an automatic service event (purchases and redemptions), if based on the factors described above, we cannot ensure the orderly and accurate processing of the rebalancing or the automatic service. We will notify you of that suspension and offer you the option to have your account manually rebalanced for that period.

H. Portfolio Advisory and Alternative Investments Advisory Programs

UBS-CAP and IC are "Portfolio Based Advisory Programs" which means that they are advisory programs in which our services are provided to you for certain eligible UBS Advisory Accounts on a portfolio level instead of individually at the account level. The primary difference between the programs is that UBS-CAP is designed for retail investors and IC is designed for institutional investors. While the UBS-CAP program permits assets that are held away from UBS to be included only on a limited basis, IC permits clients to elect to hold at UBS or to hold away without limits. The programs also offer differing levels of investment discretion, and they permit different advisory programs to be included within the respective program, (**See Portfolio Based Advisory Programs in Item 4**). Finally, both programs are available only through a select group of Financial Advisors who provide specialized investment advisory consulting services to investors, but the eligibility criteria for those advisors differs between the Programs. **See Section Education & Business Standards for FA Education**

In addition to being available as an overall advisory contract per client tax ID or client identifier, UBS-CAP is also available, where appropriate, to multiple related entities (multi-TINs) owned by or related to the same party which based on the structure and ownership should be managed under the same Investment Policy Guideline ("IPG") Asset Allocation and aggregated for performance reporting.

It is important that you understand how the portfolio level services available to you in UBS-CAP and IC alter or modify the services and options available in the individual UBS advisory programs in which your Portfolio may be invested. Those distinctions include the review and application of certain Advisory Program guidelines to your UBS-CAP and IC Portfolio respectively instead of individually to each Advisory Account and, if selected, the

delegation of certain activities to UBS and your Financial Advisor through the execution of a limited power of attorney.

CAP Select and IC held away are advice-only programs in which the fee you pay is solely for the investment advice and performance provided in the Program. Custody, trading and execution fees are not applicable or assessed in CAP Select or when you elect to hold your assets away from UBS in the IC Program. While the UBS-CAP Program offers clients the ability to hold a certain percentage of their asset allocation in alternative investments, CAP Select is designed for clients who want 100% of their assets in CAP Select invested in a diversified asset allocation consisting only of alternative investment vehicles. Only alternative investments held at UBS are eligible to be held in the Program. You may establish a CAP Select Program Account on a stand-alone basis or in conjunction with a UBS-CAP Account Portfolio.

UBS-CAP, CAP Select and IC services include, but are not limited to: 1) assistance in the development and preparation of an investment policy guideline (in UBS-CAP and CAP Select) and an investment policy statement in IC; 2) the preparation of an asset allocation analysis for the allocation of your investment assets among various asset categories or classes; 3) for UBS-CAP and IC, selection of separate account managers, mutual funds, ETFs and alternative investments; 4) for CAP Select the selection of alternative investments; 5) portfolio evaluation and review; 6) ongoing investment management consulting on such items as review of the asset allocation and investment policy and the impact of capital market developments on the overall investment strategy.

You may establish a UBS-CAP, CAP Select, or IC relationship on a fully non- discretionary basis (without any limited power of attorney) or you may delegate certain activities to your UBS Financial Advisor by selecting that option in the respective Program's Application and executing the Agreement, Application and Limited Power of Attorney. **You are not required to provide limited power of attorney authority to your Financial Advisor or any other UBS employee in order to participate in the Programs. If you provide such authority, you can terminate the limited power of attorney at any time by notifying your Financial Advisor in writing.**

Asset Allocation and Investment Policy Guidelines. The Programs provide assistance in the development and preparation of an asset allocation and an investment policy guideline (in UBS-CAP) or investment policy statement (in IC) which, in the case of UBS-CAP and IC can encompass a portfolio level review across a variety of advisory accounts held at UBS and accounts held away, as agreed. These services typically involve analyzing your liquidity requirements, performance goals and risk tolerance levels based on the information you provided to us. We will review the investment policy guidelines or statement with you on an annual basis and will assist you in incorporating any changes you determine are appropriate. We will monitor your portfolio to determine if it is in compliance with your asset allocation guidelines as stated in your investment policy guidelines or statement and will recommend changes to you when we determine they are appropriate. The Firm does not provide legal, tax or actuarial advice. We will not be responsible for ensuring that your investment policy guidelines or statement and asset allocation choices comply with all specific legal, actuarial or other requirements that apply to you. That responsibility rests solely with you and you should consult with your legal and tax advisors regarding those matters.
Investment Searches. As appropriate, we will recommend and present for your consideration eligible investment types for each Program. For UBS-CAP and IC that includes investment manager(s) and/or other investments, such as mutual funds, exchange traded investments, collective trusts, and/or alternative investments, while CAP Select recommendations are limited to alternative investments held at UBS (eligible investments in all three programs are collectively referred to as "investments") that align with your investment policy guidelines and asset allocation strategy. Investment recommendations are limited to those which are offered by the Firm and/or for which the Firm has conducted due diligence or has otherwise reviewed. We cannot assure you that we will continue to offer or review any of the investments identified through our searches.

IC Program Retirement Accounts and Proprietary Funds. For Retirement Plan clients enrolled in the IC Program with a Limited Power of Attorney for Financial Advisor Discretion Services, our investment searches will not include UBS affiliated/proprietary mutual or sub advised funds unless such investments or strategies are eligible within the IC Program and made available at no additional cost to client.

Portfolio Review, Evaluation and Reporting. In addition to individual performance reports for your individual Program Accounts, we will provide annual portfolio evaluation and review of all Accounts in your CAP Select Account and for UBS-CAP Portfolio (the latter on a consolidated basis), including reviewing performance on an absolute and relative basis. Clients in the IC Program will not receive individual performance reports for your individual Program Accounts. Instead, IC clients receive a quarterly portfolio evaluation and review of all Accounts in your IC Portfolio on a consolidated basis, including performance on an absolute and relative basis. For accounts held at other institutions, those reports and evaluations will be based on information provided by your custodian. Based on your overall objectives and performance of your investments, we will assist you in evaluating potential adjustments and, if appropriate, we will assist you in conducting a search for new investment managers or investments. We can also provide reports which include performance information, comparisons and other information for a variety of investment strategies. UBS-CAP and CAP Select will provide quarterly performance reports to you upon request.

In IC, our portfolio evaluation and review may also include investment managers or investments which you retained or purchased without our recommendation. Our inclusion of these investments is solely for the purpose of providing a holistic portfolio evaluation and does not constitute an endorsement that you continue to hold those investments or retain those managers, and we will ask you for a written acknowledgment that UBS does not provide recommendations regarding such investments. In addition, assets held in other UBS programs outside of your IC Program relationship may also be included in our portfolio evaluation in order to provide a holistic evaluation of your portfolio, but those assets are included for informational purposes only and are not part of the assets for which IC services are provided.

Investment Advisory Program Selection; Implementation of UBS-CAP, CAP Select, and IC Services. You can implement your UBS-CAP and IC asset allocation and the results of investment searches through one or several advisory programs offered by the Firm. It is important you understand that these programs are separate and distinct and offer different services, features, fee schedules, structure and administration, depth of research conducted on the managers available in the programs, and compensation to Financial Advisors. ***Please review the descriptions of those programs included in this Form ADV Disclosure Brochure carefully as you decide which programs are appropriate for your investment needs***. We will provide UBS-CAP or IC Services described above for all Program Accounts

established under your name and social security number, TIN, or multi-TIN or client identifier where appropriate – the eligible Advisory Programs based on the implementation option you have selected (i) Non-Discretionary; (ii) Non-Discretionary Limited POA for implementation of Client Directed Investment Activities (available in CAP and CAP Select only); and (iii) POA for Limited FA Discretion Services.

The UBS Advisory Programs eligible for UBS-CAP and IC as well as the different implementation options are described in the section "*Advisory Programs; Fee Schedules, Minimum Investments and Minimum Annual Fees; UBS Consolidated Advisory and IC Programs".*

Unless you select the POA for Limited FA Discretion Services option, you retain and will exercise, final decision-making authority and responsibility for the selection of any investment advisory program, establishment of specific accounts at UBS, selection of alternative investments and selection and hiring of investment managers, as well as for the implementation of any investment plan or strategy resulting from the services provided under UBS-CAP, CAP Select and/or IC, as applicable.

Limited Power of Attorney Implementation Options.

UBS-CAP and CAP Select offer two types of limited power of attorney implementation options. IC offers only one limited power of attorney implementation option. Although the activities covered under each option are similar, the most important distinction, and one you should consider carefully when reviewing these options, is the level of involvement you will have, and the discretion you grant to your Financial Advisor to **select** advisory programs, investment managers, alternative investments and establish accounts on your behalf.

Regardless of the power of attorney option you choose, if any, the actions taken by your Financial Advisor will be based on the Investment Policy Guidelines or IPS and asset allocation you select and approve for your UBS-CAP, CAP Select, and/or IC Portfolios. Neither your Financial Advisor nor any UBS employee is authorized to change or approve your Investment Policy Guidelines or IPS, or your asset allocation on your behalf.

You can terminate the limited power of attorney at any time by notifying your Financial Advisor in writing. Termination of a power of attorney will result in the conversion of your UBS-CAP and/or CAP Select relationship, as applicable, to fully non-discretionary, and you will be responsible for all activities previously delegated to UBS and your Financial Advisor under the relevant power of attorney. Termination of a power of attorney in IC will result in termination of the IC relationship and conversion of IC Accounts to brokerage accounts, unless you execute an Institutional Consulting Services Agreement for non-discretionary services. Any Advisory Accounts (for example, ACCESS, SWP, Strategic Advisor, etc.) that were part of the IC relationship will remain in those Programs unless you also terminate the Advisory Accounts in those Programs. Upon termination, you will be responsible for all activities previously delegated to UBS and your Financial Advisor under the power of attorney.

Limited Power of Attorney for Implementation of Client Directed Investment Activities in UBS-CAP and CAP Select.
This option authorizes UBS and your Financial Advisor to take actions on your behalf to implement your program and investment selections ***based on your instructions.***
With this option, you determine how you want to implement your asset allocation by selecting the Advisory Programs in which you want to participate, the investment managers you want to engage, and the alternative investments in which you want to invest. Your Financial Advisor then implements your instructions on your behalf, negotiates and executes agreements at your direction, and establishes accounts in the programs you selected. If you include assets held away from UBS, your Financial Advisor will also be authorized to establish an additional account at UBS for tracking and billing purposes if applicable. Under this option for CAP Select, you will select the alternative investments in which you want to invest and your Financial Advisor will execute the subscription documents based on your instructions.

Power of Attorney for Limited Financial Advisor Discretion Services for UBS-CAP, CAP Select and IC

In contrast to the Limited Power of Attorney for Implementation of Client Directed Investment Activities, the Power of Attorney for Limited FA Discretion Services authorizes your Financial Advisor to implement your asset allocation by selecting the UBS advisory programs, investment managers and alternative investments in which your assets will be invested without first consulting with you. For CAP Select, this power of attorney will authorize your Financial Advisor to select the alternative investments to implement your CAP Select asset allocation without consulting with you first. Financial Advisors will also have the authority, as applicable based on the eligible assets in each Program, to replace investment managers, redeem alternative investments, close Advisory Program accounts, and transfer funds between Advisory Accounts at UBS in compliance with your asset allocation and Investment Policy Guidelines or Investment Policy Statement.

Power of Attorney for Limited Financial Advisor Discretion Services including private equity and Real Estate

The Limited Power of Attorney for Discretion **excludes** private equity and real estate investments in UBS-CAP and CAP Select. A LPOA over private equity and real estate assets may be granted on a limited exception basis in UBS-CAP and CAP Select for unsolicited client requests for relationships that meet certain asset thresholds. The Limited Power of Attorney executed in IC permits discretion over private equity and real estate assets.

Core Activities Covered Under all Types of LPOA:

- **Client-Directed Option (not available in IC): You approve your IPG and Asset Allocation; you decide, your Financial Advisor implements.**
- **Limited FA Discretion Option: You approve your IPG or IPS and Asset Allocation; your Financial Advisor decides how to implement your asset allocation and selects, as applicable, the Advisory Programs, investment managers and alternative investments without consulting you.**

    1. Negotiating investment management fees (only) with affiliated and unaffiliated third party researched investment managers in the MAC Program and executing investment management agreements on your behalf for your UBS-CAP or IC Portfolio.
    2. Establishing advisory accounts on your behalf in eligible Advisory Programs **(See *Advisory Programs; Fee Schedules, Minimum Investments and Minimum Annual Fees; UBS Consolidated Advisory and IC Programs"* for details on eligible Programs)**. For the Client Directed Option you will provide the Risk Profile for each Account to your Financial Advisor. For the Limited FA Discretion option, your Financial Advisor will complete the Risk Profile Questionnaires for individual Accounts based on the Program Questionnaire you completed at the time you established your UBS-CAP,

CAP Select, or IC Relationship (or as such may be amended throughout your relationship with us).
3. Establishing an account at UBS for billing purposes for Assets Held Away if such assets are included as part of your UBS-CAP Portfolio, if applicable.
4. Completing risk profiles required to establish Advisory Accounts based on UBS-CAP or IC Portfolio Questionnaire.
5. Executing subscription, redemption and tender documentation for researched alternative investments you select in UBS-CAP or CAP Select or that your Financial Advisor selects on your behalf in IC (proprietary and non-proprietary hedge funds, fund of funds and, where available as an option, private equity) **to purchase in UBS accounts,** including forms for the conversion of brokerage share classes to advisory/institutional share classes when applicable in UBS-CAP, CAP Select, or IC;
6. Take any actions necessary to open and maintain your account(s) in the eligible Advisory Programs, complete and pay for transactions, UBS Investment Advisory Fees, and SMA Manager Fees in your account(s); and
7. Except as described below, execute any other document or agreement which UBS considers necessary or appropriate to carry out the intent of your UBS-CAP, CAP Select or IC Agreement and your investment instructions.

In addition to the core POA services described above, the Limited FA Discretion Implementation options also covers:

8. The selection of UBS investment advisory programs to implement the client approved asset allocation and IPG or IPS for UBS-CAP or IC Portfolio from the list of eligible programs;
9. Select, hire and fire third party investment managers in eligible Advisory Programs for UBS-CAP and IC, as well as select, subscribe and redeem alternative investments on your behalf;
10. Transfer and reallocate UBS-CAP assets between ACCESS, MAC, Portfolio Management Program Accounts
11. Transfer and reallocate IC assets between ACCESS, MAC, AAP and IC Accounts.
12. Select, hire and fire internal PMP Portfolio Managers for UBS-CAP, inclusive of negotiating advisory fees with internal PMP Portfolio Managers (where your Financial Advisor is not the portfolio manager).
13. Authority to select, subscribe and redeem alternative investments on your behalf for Private Equity and Real Estate investments.

In addition to the core POA services described above, the LPOA in IC and the Limited FA Discretion including Private Equity and Real Estate Implementation option in UBS-CAP and CAP Select also covers:

The Limited Power of Attorney Options do *NOT* grant UBS or its Financial Advisors the authority to:

1. Execute the Advisory Relationship Agreement;
2. Execute the UBS Client Relationship Agreement for Brokerage Accounts;
3. Change Program Fees for any Advisory Account without first discussing it with you and obtaining your consent;
4. Change account preferences (proxy voting, trade confirmations, or investment restrictions) without first discussing it with you and obtaining your consent;
5. Exercise investment discretion in the selection to purchase or sell any securities in the Strategic Advisor, PACE and SWP, ACCESS and MAC Programs or with respect to assets held at other financial institutions;
6. (For the Client Directed Option and the Limited FA Discretion Option in UBS-CAP and CAP Select) Establish accounts in the PACE Program. For the Limited FA Discretion option for UBS-CAP and CAP Select, the restriction also applies to establishing accounts in Strategic Advisor and Strategic Wealth Portfolio;
7. Exercise proxy voting authority for your Accounts in Strategic Advisor, PACE and the non-discretionary sleeves in SWP;
8. Execute the Client Acknowledgement Form for Non-Researched Assets on your behalf, or execute any documents, agreements, forms or subscription or redemption documents in connection with Non-Researched Assets or issue any investment instructions to the custodian of such assets;
9. (For Limited FA Discretion in UBS-CAP and CAP Select) Execute subscription, redemption, tender or any other documentation for any private equity and private real estate investments. This applies to UBS-CAP and CAP Select. The LPOA for Limited FA Discretion over private equity and real estate investments is a separate document for UBS-CAP and CAP Select available only on a limited exception basis for clients who specifically requests such services on an unsolicited basis and who meet certain qualification thresholds;
10. For both the Client Directed Option and the Limited FA Discretion option in UBS-CAP and CAP Select execute subscription, redemption, tender or any other documentation for any REITs and any forms for the conversion of brokerage share classes to advisory/institutional share classes where applicable;
11. Sign any complex products risk disclosure statements required to be signed by clients, including but not limited to, the documents and disclosures required to enroll in any third-party options overlay SMA manager or Concentrated Equity Solutions strategy or any structured product related documents;
12. Name beneficiaries for any IRA accounts.

The Power of Attorney for Client Directed Implementation in UBS-CAP and CAP Select also excludes the following:

1. Deciding the manner in which your assets will be allocated or the programs in which accounts will be established;
2. Designating him/herself as your portfolio manager in the PMP Program without your consent;
3. Transferring assets between your accounts without your instructions and consent.

UBS will not be required to sign or complete (i) any certificate regarding your tax status, (ii) documentation for non-advisory products, including brokerage account agreements for trading accounts, (iii) trust certificates or corporate resolutions, or (iv) any document to the extent that you have not provided UBS with sufficient current information to complete the document accurately and completely.

Additional Services available in IC

IC also offers several additional services available as part of your IC program fee or on a project basis. IC offers oversight services where, for a negotiated rate, we will review services performed by third party financial advisors or consultants under parameters agreed to in your IC service agreement. We may also consult with you on matters related to news and developments in the capital markets and asset classes based on information generally available

from us or our affiliates, or more specifically prepared for you based on publicly available information. We can provide education services. Additional services may be available as agreed to between us.

UBS Investment Advisory Fees, Additional Fees for Investment Management Services and Important Information About Certain Investments.

UBS Investment Advisory Fees. The annual UBS Investment Advisory Fee is a fixed percentage of the assets in all of your account(s) under the Programs. For UBS-CAP and IC, the UBS Investment Advisory Fee covers the investment advice provided by UBS and your Financial Advisor, custody, trading and execution services for account(s) held at UBS Financial Services Inc. and performance reporting services. Except in limited situations, all accounts you establish, or those established on your behalf, will be billed at the same rate selected in the Application (or as such may be changed with your consent during the course of the relationship established). The fees must be levelized for IC relationships and for UBS-CAP relationships with a POA for Limited FA Discretion Services.

UBS-CAP offers the option to have all of your accounts in your CAP Portfolio priced at the same level such that Financial Advisors in UBS-CAP who also act as your portfolio manager in PMP will receive the same payout level across all Accounts enrolled in UBS-CAP regardless of Program type or strategy. However, based on discussions with your Financial Advisor, you may agree to different fee schedules for different account types. If you do so, you understand that for accounts with higher fees, your Financial Advisor will receive higher compensation than for other accounts in your UBS-CAP Portfolio.

CAP Select is an advice-only program in which the fee you pay is solely for investment advice and performance reporting provided in the Program. Custody, trading and execution fees are not applicable or assessed in this Program.

The UBS-CAP and IC Investment Advisory Fee **does NOT include** the investment management fees charged by any SMA Manager in the Programs. In addition, certain investments such as mutual funds, ETFs and alternative investments have internal expenses (for example, management, shareholder servicing and performance fees) that are not included in the UBS Investment Advisory fee. You will pay those fees separately to the managers and sponsors of those investments (including UBS affiliates if you have invested in UBS products) in your role as shareholder of those funds. ***See "Fees / Other Charges Not Covered by your Program Fee" for more information about other fees not covered by the Investment Advisory Fee.***

Assets Held Away; Custody: UBS-CAP and CAP Select are not designed for clients who hold all or a substantial portion of their Portfolio at other financial institutions. CAP Select is limited to alternative investments offered on the UBS platform. Generally, we require clients with Advisory Accounts to custody their account assets at UBS. In limited circumstances, for UBS-CAP, we may accept certain relationships that hold a limited portion of their alternative investment assets or separately managed accounts in the custody of other financial institutions that meet the definition of a qualified custodian. If you decide to include these assets as part of your UBS-CAP Portfolio, you may be required to establish an account at UBS for tracking of the investments and billing purposes of these assets.

While this option is available as an accommodation to clients in the UBS-CAP and CAP Select Programs, we do not recommend doing so, for the following reasons:

- You will incur additional costs in excess of your UBS program fee (for example, custody costs).
- Billing for your Account, including the accurate processing of rebates if applicable, is the responsibility of your custodian, not UBS.

Non-discretionary IC services are available to institutional clients that elect to hold the assets in the IC relationship away from UBS ("IC Held Away"). If clients elect IC Held Away, our services do not include custody, trade execution, or any other fees imposed by the other financial institution. Your Financial Advisor will not offer advice about whether to hold assets away from UBS.

If you decide to implement the results of investment searches performed as part of an IC relationship through an account held at another financial institution, such implementation is not part of IC services and will result in your payment of custody, brokerage and execution fees collected by the other financial institution.

Because all of the assets covered by a UBS-CAP or IC Agreement will be billed at the same UBS Investment Advisory Fee rate, if you decide to include assets held at other financial institutions, you will be paying for services that you are not utilizing as it pertains to those assets, specifically, custody, trading and execution. **Your UBS Investment Advisory Fee will not be reduced as a result of additional costs you incur as a result of holding assets at other financial institutions.**
Alternative Investments Funds. When consistent with your investment objectives, risk tolerance and financial circumstances, and upon your request, we may recommend to you alternative investments approved for distribution through the Firm. Investments presented for your consideration will be limited to those that offer advisory/institutional share classes designed to be purchased and held in fee-based accounts. **Offering documents for appropriate investment vehicles will be delivered directly to you even in instances in which you have executed a power of attorney for Limited FA Discretion Services.**

If you selected a non-discretionary or a client-directed investment activities implementation option, you are solely responsible for your decision to invest in an alternative investment fund. Alternative investments are speculative in nature and the investors bear the costs and fees of these funds, including asset-based fees, expenses, and incentive-based compensation.

If you hold or purchase (or we purchase on your behalf) an alternative investment fund sponsored or offered by UBS or its affiliates, the Firm or its affiliate will receive compensation, possibly including a share of investment advisory fees by the Fund and performance fees, for providing various services to the alternative investment fund that will be based, in part, on the amount of assets you invest in the fund.

With the exception of retirement clients in IC, if in IC, if you selected the POA for Limited FA Discretion Services, you consent to UBS directing your Account to invest in portfolios, hedge funds or funds of funds managed or sponsored by UBS or its affiliates (each an "Affiliated Fund").

Privately-offered alternative investment funds, such as hedge funds, funds or funds or private equity are sold only to qualified investors, and only by means of offering documents that include information about the risks, performance and expenses of the funds. Please review and consider those risks carefully before adopting Investment Policy Guidelines or IPS that include such investments.

Alternative investment funds are speculative and involve significant risks, performance may be volatile, and investors may lose all or a substantial amount of their investment in an alternative investments fund. An alternative investment may engage in leverage and other speculative investment practices that may increase the risk of investment loss. Interests in alternative investments funds typically will be illiquid and no secondary market for interests usually develops, they are long-term investments (e.g., 10-15 years), are subject to restrictions on transfer, may suspend redemptions, and may not be required to provide periodic pricing or valuation information to investors. In addition, an alternative investment fund may hold back a portion of redemption proceeds, usually in the range of 10%, to cover accrued expenses, contingencies and liabilities.

Although only funds that offer advisory or institutional share classes are available in UBS-CAP and IC, such investments will be subject to the respective Program Fee. Given the long-term nature of these investments, it may be more cost-efficient in the long term for you to invest in the brokerage share class and maintain these investments in a brokerage account. We cannot, and do not, guarantee that investing in the advisory share class plus the Program Fee is the more cost-efficient option in the long-term. You must review those options carefully before investing.

Eligible Non-Researched Investments in UBS-CAP and IC. You may request that "*Eligible Non-Researched*" investments be included in the asset allocation analysis and performance reports for your UBS-CAP or IC relationship. In UBS-CAP and IC, Eligible Non-Researched Investments are limited to hedge funds, funds of funds and private equity investments held away from UBS and MAC Eligible strategies only. In IC, Eligible Non-Researched can also include any eligible investment type for which you sign a letter acknowledging that UBS will not provide advice on such assets. The UBS-CAP and IC POA cannot be used for Eligible Non-Researched investments of any kind.

UBS's investment advice in UBS-CAP and IC as it pertains to Eligible Non-Researched Investments is limited to asset allocation, IPG or IPS development, and performance reviews. Specifically, the inclusion of these investments in an asset allocation analysis does not constitute a recommendation that you continue to hold or add to those investments. **Financial Advisors and any other UBS employees are prohibited from making specific investment recommendations to buy or hold these investments on an ongoing basis as UBS does not perform initial or ongoing due diligence on these investments or strategies.** Inclusion of Eligible Non-Researched Investments is an accommodation only and they cannot represent a significant portion of the portfolio. High levels of these investments may lead to termination of the relationship.

Non-Researched investments. Non-Researched Investments are not subject to the Firm's due diligence or research process or otherwise approved for sale, solicitation or recommendation by UBS and its Financial Advisors and employees. Only Eligible Non-Researched Investments for which there is a written acknowledgement on file may be included in UBS-CAP or IC services and for purposes of calculating the UBS-CAP or IC Program Fee.

Because the value of such Eligible Non-Researched Investments will be included for purposes of calculating your Program Fee, you should carefully consider that, as it pertains to those non-researched assets, you will be incurring costs and not fully utilizing the benefits and services offered in UBS-CAP or IC. We reserve the right to accept or decline these requests. Non-researched assets may not constitute a significant portion of the UBS-CAP or IC Portfolio.

Your decision to include non-researched assets in UBS-CAP or IC is against our recommendation and doing so will result in additional costs to you and higher compensation to UBS and your Financial Advisor.

See Asset Allocation & Investment Policy Guidelines; Asset Allocation for information about Implementing your Asset Allocation

Item 5. Account Requirements and Types of Clients

Types of Clients

We provide Investment Advisory services to individuals, banks, thrift institutions, mutual funds and other investment companies, pension and employee benefit plans, trusts, estates, charities, corporations and other business and government entities. Generally, the majority of our clients in the Advisory programs (except IC) are individuals. Registered and private investment companies, and other types of pooled investment vehicles are generally not eligible to participate in the Advisory Programs described in this Brochure. The IC Program is designed to provide advisory services to sponsors of qualified retirement plans, corporations, endowments and foundations, municipalities, Taft-Hartley plans, and religious and charitable organizations. Legacy retail clients and trusts for the benefit of retail clients can receive the IC services described in this Brochure. IC services are not offered to new retail clients or trusts for the benefit of retail clients.
Foreign entity clients: Please note that as a foreign entity, your participation in a Discretionary, Separately Managed Account or Unified Account Program will likely prevent you from having a FATCA classification of Passive Non-Financial Foreign Entity. This could result in your entity having more burdensome documentation and reporting requirements. Please consult your tax advisor with regard to the possible tax consequences associated with your FATCA status.

A. Account Requirements for Establishing and Maintaining Advisory Accounts with Our Firm

Please see Section 4(B) above *"Advisory Programs: Fee Schedules, Minimum Investments and Minimum Annual Fees"* for a description of the minimum investments required to establish an Account in the Programs described in this Brochure. Generally, accounts with balances of $1000 or below will be terminated from the Programs. However, we reserve the right, in our sole discretion, to change account minimums for new accounts, impose higher account minimums for certain strategies or portfolios that may be offered from time to time, to terminate accounts that fall below certain thresholds that may impact the management or servicing of the Account, or require that additional monies or securities be deposited in the Account in order to remain in the Program.

B. Your Investment Advisory Agreement

With the exception of Held Away IC clients and Cash Advisory Investment Management (CAIM, which is a Portfolio Management Program) clients, we will provide you with an Advisory Relationship Agreement and Application which, when signed by you, will apply to all future Advisory accounts you establish with our Firm. After we receive and accept your signed Application and Agreement, you may establish advisory accounts with us

by contacting your Financial Advisors and providing verbal or written instructions, or for some Programs, by signing a new Application and Agreement. The IC Program and CAIM each require an additional contractual relationship outlining the IC services.

The Advisory Relationship Agreement and our Form ADV Disclosure Brochure apply to all of your Advisory accounts at UBS, including any Advisory accounts you may open in the future and those accounts established on your behalf by your Financial Advisor under the terms and conditions of UBS-CAP and CAP Select. We will notify you when there are updates and amendments to your account agreements. We will not provide another copy of the Form ADV Disclosure Brochure when you establish new Advisory accounts unless there is a new version or material changes to the document we originally provided to you. In addition, annually we will provide you with a copy of our updated Form ADV Disclosure Brochure or a summary of material changes.

Because the Agreement and the Form ADV Brochure apply to all the different types of Advisory accounts you can establish with us, some of the information in those documents and the other disclosures we send you may not apply to you now, but may apply in the future as you or, for UBS-CAP, IC or CAP Select, your Financial Advisor establish other accounts with us. **Please retain all these documents for future reference as they contain important information if you decide to add services or open new Advisory accounts with our Firm.**

When you establish an Advisory account with us, you will be required to execute both an investment advisory agreement (the Advisory Relationship Agreement) and a brokerage account agreement (if you have not done so already). The brokerage agreement allows your account to have trading capability and custody services. Once executed, the brokerage agreement supplements your advisory agreement, and all, collectively, govern your relationship with us. Accounts established under the Advisory Relationship Agreement are designated as "Advisory" and our obligations to you as they pertain to that account will be that of an investment adviser as described in that Agreement.

Termination of your advisory Account will end our fiduciary relationship with you under the Investment Advisers Act as it pertains to that Account and will cause your account to be converted to, and designated as, a brokerage account. Your investment advisory agreement and our advisory services will no longer apply to that account and it will be governed solely by the terms and conditions of your brokerage account agreement. Participation in our Programs, our obligations to you under the Programs, and your ability to hold shares that, in some cases, are available exclusively through our Programs are contingent on you returning an executed Advisory Relationship Agreement to us. Failure to return the signed Application and Agreement to us will result in your investments being deemed and charged as brokerage and the liquidation of investments that may be held exclusively in our Advisory Programs, for example, PACE Money Market fund shares.

Some of our Programs permit you to delegate proxy voting authority to your SMA Manager or a third party, and/or suppress your receipt of daily trade confirmations in your account(s). We ask you to provide these instructions when you establish your first Advisory account under the relationship Agreement. We will apply your preferences (where those features are available) to all Advisory accounts you establish under the Agreement, unless you provide different instructions for specific accounts.

Opening Advisory Accounts on Verbal Instructions After Execution of the Advisory Relationship Agreement: You may decide to open additional Advisory accounts or take advantage of new services and account features in the future without signing additional documents or agreements. When that happens, we will confirm your instructions in writing and provide any relevant agreements and disclosures you have not already received. For certain accounts and services, you may be required to sign additional documents and agreements. All of the confirmations, agreements and disclosures we send you are considered part of the Advisory Relationship Agreement.

Account Risk Profile Questionnaires: To become a Program client you must complete an application that includes an Account Risk Profile Questionnaire (the "Questionnaire") to determine your investment needs, objectives and risk tolerances for the assets being invested in ***each*** Account. For UBS-CAP and IC, your Questionnaire will define the risk tolerances and objectives that you have for ***all*** your eligible assets included in the UBS-CAP or IC Portfolio as a whole. However, a Questionnaire needs to be completed for each account, based on the holdings of that account, in your UBS-CAP or IC relationship. The Questionnaire forms the basis of your selection of an investment strategy or asset allocations for your Program account. Questionnaires do not apply to the MAC Program.

Confirmation of Your Account Record: After a new Advisory Account is opened or whenever your investment objectives or risk tolerance is updated, we confirm your personal information and/or responses to the Questionnaire to verify that our records and our understanding of your objectives and risk tolerance for the assets in that Account are correct. Please review those materials carefully and report any discrepancies to your Financial Advisor as soon as possible. Updates to existing Accounts are confirmed to you in writing and your investment objectives are reflected in your monthly account statements. Information for new Advisory Accounts is confirmed and sent promptly after account acceptance. It is your responsibility to inform us of any material changes in your objectives, financial condition or other changes that could affect how your Program Assets are being invested.

In addition, changes you make to Advisory Accounts, such as target asset allocations or investment selections (for example, replacement of SMA strategies in your ACCESS or SWP Accounts), can be implemented without requiring additional documents from you, and we will confirm these changes to you in writing.

You are responsible for providing us with your current address. If we are unable to contact you by mail, we will be required to terminate your Account from the Program(s). Upon termination, the assets will continue to be invested in the existing positions when permissible given the nature of the securities, and will be held in a brokerage account. Your Advisory Relationship Agreement and IC agreement with us will no longer apply to those accounts or our relationship with you. Any securities that cannot be held in a brokerage account will be liquidated.

Ownership of Securities and Investment Discretion. You are the beneficial owner of all securities in your Account and, other than as specifically delegated to us in your Agreement, you retain all rights related to the ownership of those securities. You retain trading authority for Accounts in Non-Discretionary Programs and SWP Non- Discretionary Assets. All transactions in those Accounts and sub-accounts will be executed by UBS based on your instructions to us. Neither UBS nor your Financial Advisor will have any discretion with respect to the

investment of those Program assets.

Please note that securities transactions in your Account(s), liquidations, redemptions, rebalancing and other portfolio changes may result in you incurring gains or losses for income tax purposes. Neither UBS Financial Services Inc. nor its employees provide legal or tax advice. Please consult with your legal and tax advisors regarding this matter.

ACCESS/MAC/SWP/AAP/IC. Based on the authority you delegate to us in your Agreement, and as applicable given your Program selection, we will engage the SMA Managers to manage your Accounts. You also authorize UBS to take any actions necessary to open and maintain your Accounts or to complete and pay for transactions for your Accounts.

Discretionary Programs. If you select one of our Discretionary Programs in your executed Advisory Relationship Agreement or IC Agreement, you authorize and delegate to UBS investment discretion over those Program accounts. For the Discretionary Programs and UBS-CAP and IC with POA for Limited FA Discretion Services, your signature also authorizes us to delegate investment selection for your accounts to sub-advisors. With that authority, we may delegate the selection of all or a portion of the securities for your Account to sub-advisors/Model Managers, including engaging SMA Managers, or Overlay Managers for inclusion in the portfolio.

Transactions in your SMA Programs, Discretionary Programs and your SWP and AAP SMA Manager Sub-accounts; Tax planning. After your Account is accepted for a Discretionary, SMA or Unified Managed Account Program, you can no longer place orders to trade those Discretionary or SMA Accounts or sub-accounts.

However, we may accept your instructions for transactions associated with tax planning (i.e., tax gain and loss sales), if your instructions are consistent with your Portfolio Manager/SMA Manager's strategy.

Except for the PMP Program , if you selected tax loss harvesting services, neither UBS nor your Financial Advisor exercises any discretion over the selection of securities or tax lots to fulfill tax planning requests. Currently, in the ACCESS Program, and the SMA sub-accounts of SWP and AAP, you can work with your Financial Advisor to submit requests for tax harvesting trades to the SMA Managers.

You may make requests to raise a specific dollar amount of gain/loss, which will be submitted through an automated process that systematically reviews the equity positions in a separately managed account/subaccount to identify the least number of trades needed to fulfill the request.

You can make requests to raise maximum gains/losses from the equity positions in separately managed accounts/subaccounts and an automated process systematically identifies transactions to maximize gains/losses, depending on your request.

You can also work with your Financial Advisor to identify specific securities (equity or fixed income) in the separately managed accounts/subaccounts that can be sold for tax planning purposes.

You may request tax harvest requests using long-term then short-term or vice versa.

A combination of these options may be used to maximize total gain/loss requests. The automated process is subject to minimum gain/loss thresholds and managers may also have their own tax sale policies. The SMA Manager may fulfill, reject or modify the request. In addition, to ensure orderly processing of requests, **tax sales should be requested before November 30 of each calendar year**.

Tax loss harvesting requests apply to the individual specific account for which a request is made. If you buy or sell securities in an account that overlaps with the securities sold for tax purposes in another account, the tax loss may be disallowed under IRS wash sale rules.

We cannot accept requests to halt or freeze trading in an Account at any time as a way to prevent additional gains or losses, or for any other reason.

Custody. Generally, the programs described in this brochure require your account assets to be held in custody with UBS. However, we may, on an exception basis, accept certain accounts whose assets are custodied with other financial institutions who meet the definition of a qualified custodian. Those accounts are referred to as delivery versus payment ("DVP") accounts. For UBS-CAP and IC, we may accept certain relationships that hold their assets in the custody of other financial institutions who meet the definition of a qualified custodian.

However, we do not recommend doing so, for the following reasons:

- You will incur additional costs in excess of your Program Fee (for example, custody costs).
- Billing for your Account, including the accurate processing of rebates if applicable, is the responsibility of the financial institution holding your assets, not UBS.
- Generally, all of the assets covered by UBS-CAP or IC will be billed at the same UBS Investment Advisory Fee rate. If you decide to include assets held at other financial institutions in UBS-CAP or IC, you will be paying for services that you are not leveraging as it pertains to those assets, specifically, custody, trading and execution. Your UBS Investment Advisory Fee will not be reduced as a result of additional costs you incur as a result of holding assets at other financial institutions. **You also agree to establish an account at UBS for billing purposes of these assets if applicable and requested by UBS.**
- Except for accounts enrolled in UBS-CAP or IC, you will not receive a Performance Review from us.
- Quarterly Fee Adjustments (explained in Billing Practices), do not apply to assets not custodied at UBS.

For accounts held at other financial institutions, you agree to use only a qualified custodian that is a bank, a U.S. registered broker-dealer, a futures commission merchant or a foreign financial institution. This custodian must meet the definition of a "qualified custodian" that is established in Rule 206(4)-2 under the Investment Advisers Act of 1940.

In addition, neither UBS nor Institutional Shareholder Services Inc. will act as proxy voting agent for DVP accounts in Discretionary Programs (for details, see *Voting of Client securities (Proxy Voting).*

We will send you periodic account statements reflecting the transactions in your Account. We urge you to compare those statements with the ones you receive from your custodian.

1. Funding Your Account.

You may fund your Advisory Account by depositing cash and/or eligible securities designated as "eligible" for the specific Program; funding Accounts with UBS securities is permitted only for certain programs.

If you sold mutual funds, unit investment trusts or alternative investment securities either before entering into an Advisory

Program or while in a Program (for example, funding your account with B or C shares), you may have paid either upfront or back-end charges, or redemption fees depending on the share class. When proceeds of those sales are used in an Advisory Program, you will incur our Program Fees, in addition to the operating fees and expenses charged by the mutual funds.

Class A shares, and for PMP and Strategic Advisor accounts, Class C shares (that are not subject to a contingent deferred sales charge (CDSC)) used to fund accounts subsequent to the Share Class Conversions will be automatically converted, on a tax-free exchange basis (subject to availability of that service by the mutual fund sponsor), to the new share class available for the relevant fund when free of the CDSC period. We will undertake this action on your behalf based on your authorization in the Advisory Relationship Agreement or IC Agreement, or, if you already have an agreement on file, by continuing to accept the services in the Program after receipt of notice of these changes. Class C shares are not eligible for funding Strategic Wealth Portfolio or Advisor Allocation Program accounts.

If you fund your Account with securities, you authorize and direct UBS and/or your SMA Manager, as applicable, given the terms of your program, to liquidate those securities on your behalf and to allocate the proceeds in accordance with your selected investment style. **We will not advise you regarding the liquidation of these securities. We will execute those transactions free of commission charges; however, depending on the type of security involved, those liquidations may result in you incurring redemption charges and taxable gains or losses**. You should review the potential tax consequences of these liquidations with your tax advisor before funding your Account with securities.

When liquidating these securities for purposes of establishing your Account, we will be acting as your broker, not your investment adviser. Liquidations will be effected promptly after acceptance of your Account at the then prevailing market prices.

We will not be responsible for the liquidations and any consequences due to your failure to notify us of other existing security holdings, the overall effect of liquidations once effected, or the loss of potential gains due to movements in the market prices or changes in market conditions.

Securities that are ineligible for an Investment Advisory program should be transferred to a brokerage account. If immediately prior to funding an Advisory Account, you choose to liquidate eligible and/or ineligible securities to fund an Account with the cash proceeds, those liquidations generally will not be subject to commission charges or if charged, commissions will be reversed; however, we will not waive or reverse commissions for 10b5-1 trading plans with UBS, even when the proceeds of such transactions are used to fund an Account.

For SWP and AAP Accounts Only—Funding Multiple Investment Managers.

If the Target Allocation for your SWP or AAP accounts has two or more SMA Managers either at the time you initially open the Account, or upon reallocation when changing SMA Managers, funding will occur as follows:

If funding with cash alone, UBS will fund the SMA sub-accounts in the order that would result in the least amount of cash being left uninvested. For instance, if there are two Managers, the Manager with the highest minimum investment will be funded first and then the additional Managers.

If two Managers have the same minimum funding requirements, UBS will use a random selection methodology to identify the Manager to be funded.

Cash that remains after the maximum number of Managers are funded, will be invested in mutual funds and/or ETFs according to your Target Asset Allocation. Or the cash may be invested/swept depending on the sweep option for the account.

If you fund your SWP or AAP accounts with securities (either completely or partially):

Fixed income securities: all fixed income funding securities will be allocated to the fixed income SMA Managers first in order to determine whether they should be held or sold—even if the total value of the fixed income securities used to fund your Account exceeds the value that is allocated to the fixed income investment managers. If securities are sold, the proceeds will be allocated to your other SMA Managers and/or other investments as described above.

Equity securities will be allocated to the SMA Manager whose investment strategy comprises the greatest amount of equity funding securities, based on dollar value.

Equity securities that are not part of the equity SMA Manager's portfolio will be sold as described in the "**Funding Your Account**" section above, to the extent necessary to meet the SMA Manager's investment minimum. If additional SMA Managers can be funded based on available funds, they will be funded in order of highest to lowest match of equity funding securities to securities in the SMA Managers' respective investment strategies.

Therefore, certain sub-accounts will not be funded if there is not sufficient cash and/or securities to fully fund the account according to your Target Allocation.

Your initial SWP and AAP Program Fee will be based on the Target Allocation you selected in SWP, and selected by your Financial Advisor in AAP, rather than on your actual asset allocation, as in certain circumstances, one or more Investment Managers may not be fully funded for a limited period of time and your Target Allocation may not be fully implemented.

2. Investment strategies; Eligible and Ineligible Assets

We employ a variety of investment strategies in connection with our wrap fee and other Investment Advisory services, depending upon:

The type of client involved

The Program chosen

The objective selected by the client

These strategies may involve the use of proprietary models or research blends, long-term and short-term investments and covered option writing. In special circumstances, these strategies may rely on short sales, options or other hedging techniques. We may, in our discretion, expand the offerings in our programs to include multiple style accounts and investment strategies that include, but are not limited to, margin and short sales, leveraged and option strategies, complex products and concentrated strategies.

We may impose special suitability and investment requirements with respect to these portfolios.

Eligible Assets and Ineligible Assets

We require that you hold and purchase only eligible assets in your Advisory accounts. Generally, with respect to most of the Programs described in this brochure, you or your SMA Manager or Portfolio Manager may purchase and sell securities of any kind which may include the following eligible assets:

U.S. and foreign stocks	Bonds	Options (in certain programs)
American Depositary Receipts	Closed-end funds	Open-end mutual funds (in certain programs)
Exchange traded notes	Collective trusts	Eligible UITs (in certain programs)
ETFs	Money market funds (in certain programs)	Public REITs
Publicly Registered Non-Traded REITs (in certain programs)	Offshore Funds and ETFs	Eligible Structured Products (PMP and Strategic Advisor programs only)
Hedge Funds, Funds of Funds and Private Equity, Private Real Estate, Private Credit, Private Infrastructure (in certain programs) – limited to only to Advisory/Institutional Share classes.		Small Business Administration Loans
UBS Bank USA Core Savings Accounts "Core Savings Account" (in PMP and Strategic Advisor only).		

UBS Bank USA Core Savings Accounts "Core Savings Account" (in PMP and Strategic Advisor only). Core Savings Accounts are standard savings accounts on deposit at our affiliate, UBS Bank USA. These savings accounts became eligible in IC, PMP and Strategic Advisor and provide an additional option for your short-term cash or uninvested cash holdings.

While you will receive interest on the assets deposited in the Core Savings Accounts, the overall return will be reduced by the Program Fee you will pay on those assets. You can access Core Savings Accounts through your brokerage accounts in a more cost efficient manner without incurring the investment advisory fees imposed in IC, PMP and Strategic Advisor. As such, you should carefully consider the costs and overall return of the Core Savings Accounts in brokerage versus advisory accounts and whether the Core Savings fits within your IC, PMP or Strategic Advisor strategy or investment plan before you decide to hold the Core Savings Account in an advisory account.

Core Savings Accounts have limitations on the number of withdrawals that can be made during a calendar month. **If you make more than five (5) withdrawals from a Savings Account in any calendar month, at the sixth withdrawal, your entire UBS Bank USA Core Savings position will be liquidated in full (principal plus accrued interest).** UBS Bank USA will not impose withdrawal fees on Core Savings Accounts held in IC, PMP and Strategic Advisor. Please review the "UBS Bank USA Core Savings Disclosure Statement" carefully for important information regarding the features, deposit and withdrawal processes, fees and compensation related to Core Savings. Transfers between your Securities Account and your Savings Account can only be made on business days.

Core Savings is a UBS proprietary product and, as such, UBS Financial Services Inc., its Financial Advisors and our affiliate, UBS Bank USA, benefit from and receive compensation in connection with the assets you deposit in Core Savings Accounts. Please see "Additional Compensation" Section for additional details.

UBS Bank USA Core Savings is not intended for clients who need to have frequent access to the funds in their Savings Account.

UBS, at its discretion, can make particular securities or issuers ineligible for the Programs or place a "hold" on further trading for certain investments at any time.

UBS, also in its discretion, may limit investment allocations to particular mutual funds, ETFs, closed end funds, UITs and other registered investment companies ("Funds"), including where additional investments may adversely impact the ability of one or more of our affiliates to trade with such Funds due to regulatory restrictions. In these circumstances, such Funds will be placed on "hold", thereby restricting additional purchases of such Funds in Advisory Accounts, and a different Fund will then be selected for investment in order to increase exposure to a particular strategy or asset class for such Accounts. These limitations cause a conflict of interest because UBS is taking into consideration the potential impact on trading relationships and business of its affiliates in making decisions on the availability of investments for Advisory clients. UBS mitigates this conflict by ensuring the availability of alternative Funds that can provide exposure similar to the initial Fund where additional purchases were restricted.

Ineligible Assets. The following products are not eligible ("***Ineligible Assets***") for our Advisory Programs:

Insurance and annuity products	Limited partnership interests (excluding Master Limited Partnerships in certain programs)	Private Placements (excluding hedge funds, and other alternative investments listed as eligible above)
IPOs	Non-Publicly Traded REITs	Syndicate offerings (in certain programs)
All other Non-Daily Traded Alternative investments including, but not limited to, brokerage share classes of Hedge Funds, Funds of Funds, Real Estate and Private Equity	Alternative Investment funds that do not offer an Advisory or Institutional Share class.	UBS securities (in certain programs)
Auction-rate securities (in certain programs)	Floating-rate securities	Listed or OTC index warrants
Commodities and futures (in certain programs)	Class B and class C share mutual funds (not available for purchase but may be held in Strategic Advisor accounts and are not subject to the Program Fee)	Certain Institutional mutual fund share classes if the Advisory share class has been selected as the eligible share class for the Program.

Penny Stocks, microcaps, and other high risk-securities as defined by OTC Markets	Letters of Credit	Participant loans
Inverse and leveraged ETFs (except for those ETFs eligible in PMP)	Special Purpose Acquisition Companies (SPACs)	Virtual Currency

The list above describes the products which are usually (but not always) eligible or ineligible in our Programs. The list can change at any time in our discretion. Eligibility of investments can vary by Program and strategy type. Please contact your Financial Advisor for the list of eligible investments in your specific Program.

In the IC Program, SMA Manager and strategy eligibility is determined in accordance with IC eligibility requirements, regardless of whether an SMA Manager or strategy is available in ACCESS, MAC, SWP, or AAP.

Our Advisory Programs do not offer the ability to conduct principal trades. As such, in these Accounts, you may not hold, purchase or sell securities that trade only on a principal basis. Currently, you have access to principal execution in your Advisory account only for tax loss sales transactions in worthless securities in all Programs.

UBS Stock. Subject to the exception described below, our Advisory Programs **do not offer UBS stock or UBS securities, except for the UBS mutual funds and money market funds (including money market funds used as cash sweep vehicles) in the Programs and UBS Exchange Traded Notes in certain programs**. Advisory Accounts may not be funded by depositing UBS stock.

SMA Managers in the ACCESS, MAC, AAP and SWP Programs who are not affiliated with UBS may be able to purchase UBS securities for your Accounts (this is limited to the common stock of UBS AG and certain money market funds for retirement accounts). We may expand this option to other Programs in the future. UBS securities are issued by UBS Group AG, the parent company of UBS, or another UBS affiliate under common control. As a UBS Group AG subsidiary, we have a control relationship (we are either controlled by or under common control) with the issuer of such securities.

Impact of Ineligible Assets in Your Accounts: Neither UBS, your SMA Manager nor your Financial Advisor will act as your investment adviser with respect to Ineligible Assets, including investments and securities that UBS makes ineligible after your Account is enrolled in a Program. If you hold such products, investments or securities in your Advisory Account and you also have a separate UBS commission-based brokerage account, we may transfer those assets from your Program Advisory Account to your UBS commission-based brokerage account in order to facilitate our billing and performance reporting. However, you understand that we are not obligated to transfer those assets and you remain responsible for monitoring and moving these assets from the Programs. The transfer of Ineligible Assets from your Advisory Account to your brokerage account will not result in liquidation of your securities or taxable events, commissions or any other compensation either to UBS or your Financial Advisor. It may also lead to termination of your Account.

If you do not have a separate UBS commission-based brokerage account and you decide to hold Ineligible Assets in your Advisory Account, you do so against our recommendation and with the understanding that the value of those securities may impact a variety of services offered in the Programs and be included for purposes of calculating and reporting the performance of your account, and calculating the Program Fee and other account billing events, resulting in a higher fee to us. It may also cause a trade error(s) due to overinvestment and may lead to termination of your Account.

Insurance products associated with your UBS account. Insurance products are held outside of UBS and are not part of your UBS account. To the extent an insurance product is associated with your UBS account, information regarding the insurance product may be included in your UBS account statement solely as a service to you. Information about these assets, including their value, is provided by the issuing insurance carrier and we do not verify or guarantee the accuracy of the information and are not responsible for it. The value shown is not necessarily the value you would receive if you were to sell or seek benefits from the insurance product. These assets are not covered by SIPC. To the extent these assets are displayed on a UBS account statement, neither UBS nor your Financial Advisor will act as your investment advisor or fiduciary with respect to, or exercise discretion over, these assets. Transactions in these assets cannot be effected in your UBS advisory account.

Classification and Availability of Investments, SMA Managers, Mutual Funds, Alternative Investments and PACE Select Trust Portfolios.

We categorize all eligible SMA strategies, mutual funds, ETFs, alternative investments and other pooled investment vehicles into asset categories. These categories are defined by UBS. We may add or remove asset categories at any time. We also may change an investment's asset category, based on various factors, including, for example, a mutual fund's portfolio holdings. In assigning each mutual fund to an asset category, we may rely solely on third-party vendors or on the fund's prospectus and other information that is publicly available or provided to us by the fund's agents.

In the event of these changes, you will be required to accept such changes to the Advisory Program, investment, and/or the funds. If you choose not to accept such changes, you will no longer be eligible to participate in the Advisory Program.

There can be no assurance that any of the investments that are available or eligible in our Advisory Programs will always remain available for purchase through the Program. We may add or remove securities or issuers at any time, or an issuer or sponsor may stop offering its securities through or participating in the Program. Depending on the circumstances, those investments may be sold, transferred to a brokerage account or registered directly in your name with the issuer's transfer agent. This may result in additional costs or be a taxable event for you.

UBS, also in its discretion, may limit investment allocations to particular mutual funds, ETFs, closed end funds, UITs and other registered investment companies ("Funds"), including where additional investments may adversely impact the ability of one or more of our affiliates to trade with such Funds due to regulatory restrictions. In these circumstances, such Funds will be placed on "hold", thereby restricting additional purchases of such Funds in Discretionary Program accounts, and a different Fund will then be selected for investment in order to increase exposure to a particular strategy or asset class for such Discretionary Program accounts. These limitations cause a conflict of interest because UBS is taking into consideration the potential impact on trading relationships and business of its affiliates in making decisions on the availability of investments for Discretionary Program clients.

UBS mitigates this conflict by ensuring the availability of alternative Funds that can provide exposure similar to the initial Fund where additional purchases were restricted.

Share Class Conversion: Advisory/Institutional Share Classes of Mutual Fund, Offshore Funds, and Alternative Investments Eligible in (certain) Programs. For Programs that offer mutual funds and alternative investments, the offering includes affiliated and non-affiliated investments. We will provide you with mutual fund prospectuses, the offering documents for alternative investments and other fund information as you may reasonably request to assist you in completing appropriate forms for purchases, redemptions, account designations, address changes and other transactions involving these investments.

Institutional and/or Advisory share classes are the primary eligible domestic and offshore mutual fund share classes for proprietary and non-proprietary mutual funds available for purchase in Advisory Programs, although not all Programs offer mutual funds or offshore funds. Your Financial Advisor can provide additional information. Class A shares are available for mutual funds that do not offer Institutional or Advisory share classes or that declined to make those shares available in the Programs.

If you hold Institutional Shares in your Advisory Account and the Advisory share class becomes the share class eligible for purchase, your Institutional shares will become "hold only" (even if, in the case of offshore funds, you elect not to convert your Class A shares to Advisory shares.). That means you may sell but you may not add to those positions in the Advisory Accounts.

If you transfer Class A shares of mutual funds to your Advisory Account, or use such shares to fund your Account, we will automatically convert the Class A shares to the advisory or institutional share class, if available, for purchase in the Programs, including Class C shares that are out of the CDSC period, except in PACE Multi, where such conversion will convert only upon Financial Advisor request. Class A and C shares of interval funds and Class A shares of offshore funds are **not** automatically converted to the advisory share class. If you hold Class A shares of offshore mutual funds, you may elect (but you are not required) to convert those positions to advisory share classes upon reviewing your Account and providing an attestation regarding your understanding of tax consequences that may occur as a result of the conversion. Class A shares normally impose a shareholder servicing fee, commonly referred to as a 12b-1 fee, which you pay directly to the fund company. As a distributor of mutual funds, we receive the 12b-1 fees for services we provide.

The Class A shares available in the Advisory Programs do not impose a load or sales charge at the time of purchase but include 12b-1 fees. Because most Institutional or Advisory share classes do not impose a 12b-1 fee shareholder servicing fee, these share classes are usually more cost effective than the Class A shares.

The treatment of 12b-1 fees and offshore fund trails varies by Program. While some fees are rebated or offset against the Program fee in certain Programs, others are retained by the Firm. See ***"Offsets, Credits and Rebates and Billing Exclusions Available in Certain Programs"*** for a description of applicable billing practices.

Availability of Institutional Shares of Mutual Funds in Brokerage Accounts: For both domestic and offshore mutual funds you may be able to purchase and hold Institutional shares and/or Advisory shares in your brokerage account and exclude these assets from your Program Fee. Other share classes, including some that may be more cost effective and for which we receive no revenue sharing compensation, may be available to you in brokerage accounts or through advisory programs designed primarily for institutional clients.

Single Share Class Mutual Funds: Since January 2020 we offer only the single share class of mutual funds with no front-end loads, back-end loads or 12b-1s for purchase in our brokerage platform subject to a per-transaction commission, with certain exceptions including, but not limited to, offshore funds, interval funds and money market funds. This share class is, in most instances, the same share class available in our Advisory Programs. Clients who held A, B, C or other share classes in their UBS brokerage accounts prior to January 2020, may continue to hold those assets. Clients may continue to incur CDSCs and other fees associated with such share classes so long as clients continue to hold them. However, new purchases of mutual funds (other than the limited exceptions referred to above) will be limited to the commission-based single share classes.

From July 1, 2025, until December 31, 2025, UBS pays Financial Advisors 12b-1 fees only when the total amount of 12b-1 fees and offshore trails attributable to them exceeds $100,000 for the year. 12b-1 fees not paid to Financial Advisors are retained by the Firm. This change creates a conflict of interest as your Financial Advisor has an incentive to recommend alterative solutions to the Legacy Share holdings such as a commission-based investment product, or an advisory account.

Effective January 1, 2026, Financial Advisors may request an advisory discount sharing waiver for Legacy Shares transferred from brokerage to advisory accounts. The waivers will be effective for up to one year from the approval date. An account must hold at least 20% in Legacy Shares to qualify for a waiver. Waivers are also available for Legacy Shares transferred to advisory accounts during 2025.

Discount Sharing waivers provide Financial Advisors with flexibility to price advisory accounts at lower fee levels which can benefit clients. They also incentivize advisors to recommend the transfer of the Legacy Shares from brokerage to advisory programs to offset future compensation reductions from changes to 12b-1 fee payments. Once the waivers expire, standard discount sharing guidelines will apply. Financial Advisors will share in the discount unless fees are increased with client consent.

Clients may elect to continue holding their legacy share class position(s) in their brokerage account or redeem the position(s) and purchase a suitable alternative without incurring the advisory program fee.

The difference in compensation structure between the single share class and previously offered share classes as well as the changes for 12b-1 compensation create a conflict of interest since Financial Advisors have an incentive to recommend alterative solutions to A, B, C or other share class holdings ("Legacy Shares") such as a commission-based investment product, or an advisory account.

Additional Compensation: To the extent permissible by applicable law, UBS receives revenue sharing for Advisory shares in Eligible Advisory Programs. This additional compensation presents a conflict of interest and is an incentive to designate as "eligible" the share class for which we receive higher compensation.

Advisory/Institutional Share Classes of Alternative Investments: Certain Programs (UBS-CAP, CAP Select, IC and Strategic Advisor) permit you to hold advisory/institutional share classes of certain alternative investments (proprietary and non-proprietary) as part of your Advisory Account or UBS-CAP, CAP Select, or IC Relationship. Generally, and subject to limited situations, only funds that offer advisory/institutional share classes and permit conversion of the brokerage share class on a tax-free basis are eligible and billable in the Programs.

Unlike mutual funds where the conversion of share classes is automatic, the tax-free conversion of share classes is subject to additional documentation and may take up to 120 days to complete. These assets will not be approved for the Advisory Programs until the Share Class Conversion is complete. UBS and our Financial Advisors will continue to receive a portion of the management fee and other compensation until the effective date of such conversion. ***See "Additional Sources of Compensation in Connection with Investments in Advisory Accounts"***

Transferring Mutual Funds and Alternative Investment Shares and other Assets into Your Advisory Accounts. We may accept the transfer of certain assets and shares of mutual funds and alternative investments purchased outside of our Advisory Programs at UBS or at other financial institutions into Advisory Accounts. Assets transferred into your Advisory Accounts are referred to as "Transferred Assets." Transferred Assets may have been assessed a sales load, sales charge or distribution fees previously and, once transferred, you will be assessed the Program Fee based on the value of those assets except in certain instances.

If your Transferred Assets were purchased in a UBS brokerage account and were assessed a:

front-end sales load,

placement fees, or

syndicate/underwriting fees

those assets will not be charged the Program Fee until 12 months has elapsed from the date of initial purchase.

If your transferred mutual fund or alternative investment shares (for example Class A shares of mutual funds or where applicable the brokerage share class of an alternative investment purchased with a sales charge) are converted to an Institutional or Advisory share class on transfer to the Advisory Program, the new share class will be designated as a "Transferred Asset" and will be excluded from the Program Fee until 12 months have elapsed from the initial purchase date of the Class A share or brokerage share class.

However, if you transfer mutual fund shares purchased under the new Single Share Class offering to an Advisory Account, those shares will be subject to the UBS Investment Advisory Fee upon transfer and any commissions charged within a certain period prior to such transfer will be rebated to your Account.

Transferred Assets purchased at other financial institutions will be assessed the Program Fee immediately. Because the exceptions are not available for assets and mutual fund shares purchased at another financial institution, the overall cost to you of transferring these assets into the Programs will be higher for assets you purchased at another financial institution. Please review the costs carefully before making a decision to transfer assets into your Advisory Accounts. If you sold mutual fund shares or alternative investment funds prior to entering into, or while in our Programs, you may have paid certain fees with respect to that sale or incurred charges on the initial purchase of certain share classes. You will now incur the Program Fee on eligible shares held in your Accounts, in addition to the operating fees and expenses applicable to mutual funds and alternative investments.

Termination of your Advisory Account and Impact on Share Classes: Generally, you may continue to hold most Institutional and/or Advisory share classes after you terminate your Advisory Account. However, in certain limited cases, mutual fund companies and alternative investment fund sponsors require that Institutional and/or Advisory share classes that have been created for use or are eligible exclusively within wrap fee a dvisory programs be converted to the respective brokerage share class of the fund (for example, Class A shares for mutual funds) on termination of the Advisory Account. When required by the prospectus for mutual funds, on termination of your Advisory Account, we will convert your Institutional and/or Advisory share classes to Class A shares of the same fund on a tax-free basis unless you are terminating your account to establish another one in a separate program where the same share class is eligible. **Unless the issuer requires automatic redemption of these investments, you can continue to hold them in your brokerage account.** Single share class holdings that move from Advisory to Brokerage accounts will be subject to commission charges on buys, exchanges and sells. Please see "*Automatic Liquidation or Exchange of Certain Assets at Account Termination*" for more information.

3. Investment Restrictions & Investment Policy Statements

Investment Restrictions. Our Discretionary and SMA Programs offer you the ability to impose reasonable investment restrictions on the management of your Accounts including restrictions as to permissible securities, industries, industry sectors, maturity or credit ratings depending on program selected.

Investment restrictions will apply only to those assets over which we or your SMA Manager have discretion. Investment restrictions are **not** applicable to, and may not be imposed on, the non-discretionary portion of your SWP Account, "ineligible" assets you may hold in Advisory Accounts, the alternative investment sleeve in UBS-CAP, IC non-discretionary Program or Options Overlay / Concentrated Equity Solutions Strategy Accounts.

These preferences will apply only to the account you designate and vary by type of program, account or strategy. When you establish your accounts in these Programs, we will ask you if you want to impose any investment restrictions on the management of your Account. Depending on the structure of the program you selected, we or your SMA Manager, as the case may be, will seek to adhere to these restrictions on a reasonable basis. However, if the strategy utilizes commingled vehicles (for example, mutual funds, exchange traded funds or alternative investments), any restrictions you place on your account will not flow through to the securities held in the commingled vehicles. **Also, given the structure of most pooled investment vehicles, strategies composed of 100% mutual fund/ETF portfolios and the FA Discretionary sub-accounts in AAP can accommodate restrictions only on individual investment vehicles (for example, by fund or ETF name or CUSIP).**

We or your SMA Manager may refuse to accept an account for management in cases where we find the restriction to be onerous. In this circumstance, you, or your Financial Advisor if they have discretion over SMA Manager selection, would need to select a new SMA Manager (or other investment). This may delay

investment of the entire account.

Accounts with investment restrictions may perform differently from accounts without restrictions and performance may be lower. To comply with your investment restrictions, we obtain and rely on information about company and industry classifications, credit ratings, maturity, and industry groupings from third parties. The information we obtain and use for purposes of imposing restrictions may differ from the information available from other sources and other areas within UBS. The category restrictions we offer may be overly or less inclusive, depending on the methodology used to define the categories for example, considering factors such as a company's direct/indirect involvement in an industry or activity or the proportion of a company's revenue derived from an industry or activity. Although we believe this information to be reliable, we do not independently verify or guarantee the accuracy. The change of the classification of a company, the grouping of an industry or the credit rating of a security may force UBS, your Portfolio Manager, Financial Advisor, or the SMA Manager, as the case may be, to sell securities in an account at an inopportune time, possibly causing a taxable event. In addition, due to corporate actions at an issuer, including but not limited to mergers, spin-offs and other types of reorganizations, new securities may be issued and/or certain securities will no longer exist following the corporate action and we may or may not restrict the security owned following a corporate action depending on the classification of those securities by the vendor.

Although your SMA Manager or Portfolio Manager is responsible for complying with the investment restrictions they accepted for your Accounts if you have selected the POA for Limited FA Discretion Services in UBS-CAP or IC we will periodically review your UBS-CAP or IC Portfolio to determine whether such managers are complying with the restrictions.

Investment Restrictions for MAC and IC Program. Clients in the MAC and IC Program must communicate investment restrictions directly to the MAC SMA Manager and SMA Managers that are approved only for use in IC (unless we serve as your SMA Manager). It is also the client's and the SMA Manager's responsibility to monitor compliance with specific investment restrictions. Neither UBS nor your Financial Advisor will monitor such compliance. If you have selected the POA for Limited FA Discretion Services option in UBS-CAP or IC, your Financial Advisor will communicate investment restrictions for your MAC Account to the MAC SMA Manager. In those instances, and where our Portfolio Managers serve as your MAC SMA Manager, we will seek to comply with reasonable restrictions you place on your accounts and will review your MAC SMA Manager's adherence with such restrictions.

Investment related restrictions are limited in options overlay investment strategies (including iron condor and broad index option writing strategies) because the accounts generally will trade and hold only option contracts tied to broad indices (e.g. S&P 500 index) or concentrated stock positions selected and deposited by the client. Clients must communicate such requests directly to the MAC SMA Manager.

Investment Policy Statements. Since an Advisory Account is generally only one component of a client's overall portfolio, we will not approve or otherwise monitor compliance with investment policy statements (IPS) when provided in connection with the opening of an Account in the Programs described in this brochure, at account conversion (for acquisitions) or otherwise. Except for UBS-CAP, IC and CAP Select, the Programs described in this Brochure do not provide IPS services. In connection with accounts covered by UBS-CAP, IC and CAP Select, our review is limited to assessing whether your UBS-CAP, IC or CAP Select Portfolio is consistent with your Investment Policy Guidelines (or IPS in IC) at the broad asset class level (i.e., equity, cash, fixed income). We will not be responsible for ensuring that your Investment Policy Guidelines (or IPS in IC) and asset allocation choices comply with all specific legal, actuarial or other requirements that apply to you. That responsibility rests solely with you and you should consult with your legal and tax advisors regarding those matters.

4. Performance Reporting for Your Account

For the Programs in this brochure other than IC, we provide you with an annual performance review once your Account is enrolled in our Program(s) for one full calendar quarter. In the IC Program, we provide you with a quarterly performance review once you are enrolled in the IC Program for two calendar quarters. The performance review summarizes the performance of your Account during the preceding quarter as well as historical periods, if applicable. We use our best efforts to ensure timely delivery of these reports, but reserve the right to delay delivery to ensure accuracy and completeness. You are responsible for reviewing these materials and reporting any discrepancies to your Financial Advisor as soon as possible. With limited exceptions (such as relationships established through our UBS-CAP or IC programs), performance reporting is not available for accounts whose assets are not custodied with us.

You may, at your discretion, request quarterly or more frequent performance reports by contacting your Financial Advisor. Accounts enrolled in a MAC-Eligible strategy and accounts enrolled in Options Overlay Strategies will receive performance reporting on a quarterly basis instead of annual.

Please see "Portfolio Management Selection and Evaluation—Performance Reviews of SMA Managers, Portfolio Managers and Financial Advisors in our Advisory Programs" for a description of our performance evaluation process and our selection of indices in the various Programs.

If you are enrolled in the IC Program, you may not receive the performance review for your individual MAC, ACCESS or other Advisory Program Accounts. Instead, you will receive a portfolio review according to the guidelines you established under your IC Program agreement. The option to suppress the performance reports for your individual Advisory Accounts and to have a tailored performance review is only available when your IC Program consolidated reviews and agreement cover those accounts. The Program Fee you pay in the ACCESS, MAC and other Advisory Programs will not be reduced as a result of the receipt of performance reporting services under the IC Program.

Impact of ineligible assets on performance reporting: Since ineligible assets are not considered Program Assets, the inclusion of such securities will impact the actual performance of the Program Assets in your Account and, therefore, we may exclude the Account from receiving an annual performance review and/or remove it from the Program until the ineligible assets are removed.

Aggregating Accounts for annual performance reviews. Related Accounts may also be aggregated for performance reporting. Please contact your Financial Advisor to have your related Accounts aggregated for performance reporting.

Accounts with a negative value will not receive an annual performance review, for instance, certain specialized strategies that utilize margin or collateral from other accounts.

5. Trade Confirmations and Account Statements

We will send you confirmations of transactions for your Accounts, as well as periodic account statements. For our Discretionary Programs (for AAP accounts this applies to the SMA sub-accounts), SMA Programs, UBS-CAP, and the SMA Manager assets in your Strategic Wealth Portfolio Account, we offer you the option of receiving your trade confirmations monthly instead of as the transactions take place. Simply check the box labeled "TRADE CONFIRMATIONS" on the Program Application. If you are enrolled in the IC Program and you hold assets in an IC Account, you will elect to receive trade confirmations monthly on your firm account statement as provided in the IC Program agreement. **Unless you provide different instructions, we will deliver your trade confirmations the same way for Advisory Accounts you establish now and in the future**.

Doing so will waive your right to receive immediate trade confirmations for those Accounts and any future Advisory Accounts you establish with us and will instruct UBS to send immediate trade confirmations to your SMA Manager.

You are not required to select this option in order to participate or continue to participate in our Programs, nor will you pay additional fees if you choose to elect this option. You may change this instruction for all or individual accounts at any time by notifying UBS in writing. All trade confirmations for mutual funds and ETFs purchased or sold in your AAP or SWP Accounts will be sent to you immediately following the transaction.

Trade Confirmation for Automatic Transactions in the PACE Program: Automated services in your PACE Account include automatic rebalancing, purchases or redemptions. Trade confirmations for transactions resulting from those services will be provided to you, as well as for transactions completed in order to debit your PACE Program Fee, on a monthly basis with your account statement. You will not pay or incur additional fees by opting to receive monthly trade confirmations. You may change this instruction at any time by contacting your Financial Advisor. Changes will be effective with your next scheduled automatic service. For any other transactions effected in your PACE asset allocation outside of the automatic services, you will receive immediate confirmations following the transaction.

6. Electronic delivery of documents

To the extent permissible by applicable law, we may, with your prior consent, deliver trade confirmations, Form ADV Disclosure brochures, performance reports, prospectuses, offering documents and other documents and notices related to your Accounts, trades and relationship with us via electronic format.

UBS offers certain communications through electronic delivery. Examples include: statements, trade confirmations and notices; shareholder communications, including fund reports, prospectuses and proxies, and all account documents related to Advisory Accounts and fee-based financial planning services; performance reports; tax reporting documents; client and account information documents; other firm documents that may be available now or in the future.

Documents related to Advisory Accounts will be delivered electronically when you enroll in electronic delivery of Shareholder Communications. The documents related to Advisory Accounts include, but are not limited to, Form ADV disclosure brochures, account enrollment and change confirmations, manager profiles, asset allocations, performance reports, and other disclosures, reports and notices related to advisory accounts and your advisory agreement. These reports and notices contain information relating to your accounts and investments, such as account attributes, account profile, investment elections and preferences, investment strategy and fees. We may deliver documents relating to Advisory Accounts as a link to a UBS website or as an attachment to an email. When sending attachments to emails, for your protection, we will exclude and/or mask certain personal information such as name, address, and account number. We may also include important notices, disclosures and updates relating to your Advisory Accounts in or with your monthly account statements or performance reports.

By signing the Advisory Relationship Agreement, you confirm that 1) your Electronic Delivery elections apply to your Advisory Accounts, and 2) your enrollment in electronic delivery of Shareholder Communications authorizes UBS Financial Services Inc. to electronically deliver all reports, disclosures and notices related to your Investment Advisory accounts. Based on that authority, we will automatically enroll you in electronic delivery for your Advisory Accounts if you select the electronic delivery of Shareholder Communication option in your brokerage account agreement. **If you are enrolled in UBS Online Services, you may change your delivery preferences at any time by logging into UBS Online Services at: http://www.ubs.com/edelivery. You may also change your delivery preferences by contacting your Financial Advisor**.

Mutual Fund Prospectus(es): When a new prospectus is available, we will send you an e-mail notification to the e-mail address you have provided to us. The e-mail will include a link that will take you directly to where the prospectus can be viewed and downloaded. Prospectuses contain important information regarding your investments. We recommend that you read them carefully and consider investment objectives, risks, charges and expenses before investing, and maintain them in your files for future reference. If you have any questions, please contact your Financial Advisor.

If your e-mail address becomes outdated or we receive messages that a document sent to you is not deliverable to the e-mail address you provided, we will send the document to you via regular mail.

7. Valuation and Other Information

To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian, we will generally rely on the value provided by that custodian.

If your investment strategy includes mutual funds, in computing the value of your Program Assets, shares of UBS mutual funds will be valued at their respective net asset values on the valuation date calculated in accordance with the fund's current prospectus. Shares of non-affiliated funds will be valued at their net asset values on the valuation date as provided by pricing sources that we believe to be reliable. This pricing information may not be accurate, complete or provided in a timely manner. If the net asset value for particular shares is not available for the valuation date, the most recent available net asset value will be used. Similarly, valuation data for certain private or illiquid investments may not be provided to us in a timely manner, resulting in valuations that are not current in your statements and Performance Reports.

We will generally rely on the value provided by you (through your custodial statement), the custodian or issuer of that security, when (i) securities are held at another custodian and security-specific detail is not provided to UBS to value them; (ii) investments you hold in your accounts are not available through UBS or that our systems do not recognize.

8. UBS Sweep Programs and Cash Balances in your Advisory Accounts

This section describes important information and conflicts of interest that arise in connection with UBS sweep programs, and specifically, those in connection with cash sweeps in Advisory Accounts. It is not a full description of the requirements, account type eligibility criteria or other processes and requirements related to the sweep programs.

For more detailed information on the sweep programs, including sweep money market funds, please contact your Financial Advisor for a copy of the money market fund prospectus(es) and the disclosure statements (Program Disclosures) for the UBS Bank Sweep Programs and the UBS FDIC-Insured Deposit Program.

You may obtain the prospectuses and Program Disclosures and view current yields on available sweep options online at www.ubs.com/sweepyields.

We may change or discontinue the sweep feature, sweep programs or specific sweep options at any time in our sole discretion. We will notify you of material changes to this account feature.

Generally, a portion of your Advisory Account(s) may be held in cash, cash equivalents or money market funds as part of the overall investment strategy for the account. When permitted by applicable law and subject to eligibility requirements (see below), the cash in your Advisory Account automatically sweeps into bank deposit accounts through either the UBS Bank Sweep Programs or the UBS FDIC-Insured Deposit Program (collectively, **UBS Deposit Sweeps**). For certain account types, cash balances are invested in money market funds (**Sweep Funds**) managed by our affiliate, UBS Asset Management.

Uninvested cash in our sweep program is used to generate revenue for us and our affiliates. These cash balances earn a lower rate of return on that cash than might otherwise be obtained. We also charge the advisory fee on your uninvested cash balances in advisory accounts. The advisory fee exceeds the amount you will earn on those balances. There is an incentive to maintain a program where uninvested cash is swept to our affiliate and to keep uninvested cash balances in advisory accounts. UBS Bank USA is an affiliate of UBS and uses the cash balances in the deposit accounts to fund new lending and investment activity. The bank profits by the difference between the interest paid to clients and the costs associated with its deposits, and the interest and other income earned by the bank on its loans, investments and other assets. UBS Bank USA improves profits when it pays lower interest rates on deposits. You may hold cash in your brokerage account without incurring the Program Fee.

Balances with FDIC-insured banks are eligible for insurance provided by the FDIC up to applicable FDIC insurance limits. See "***FDIC Insurance Coverage and Limitations"*** below for details. FDIC deposit insurance only covers the failure of an insured bank. UBS-FS is not an FDIC-insured bank. Certain legal conditions must be satisfied for deposit insurance coverage to pass through to clients' funds placed by UBS-FS at FDIC-insured banks. Shares in money market funds are securities protected by SIPC coverage. They are not insured by the FDIC, are not deposits, and may lose value.

Opting Out of the UBS Deposit Sweeps: You may opt out of the sweep programs at any time and maintain your cash balances in your brokerage or advisory account without earning any yields or FDIC insurance. Cash held in your brokerage or advisory accounts for the purchase of securities is protected by SIPC up to $250,000. You are solely responsible for deciding whether or not your account will have a sweep feature. If you wish to opt out, please contact your Financial Advisor.

1. UBS Deposit Sweeps; Sweep Features for your Brokerage Account(s) and Conversion to Advisory Program(s)

UBS-FS makes available to its brokerage and advisory clients at the time of account opening a default account feature that automatically sweeps their free credit balances to bank sweep deposit accounts at UBS Bank USA and other banks participating in UBS Deposit Sweeps. Unless you have opted out of the UBS Deposit Sweeps, in your agreements with UBS you authorize UBS-FS to automatically sweep cash balances your account as described below. Certain account types are not eligible for UBS Deposit Sweeps and instead sweep to an affiliated money market fund.

The sweep options available in UBS-FS accounts are determined by client type and account type.

If you are invested in an Options Overlay Strategy, accounts only sweep in excess of the margin debits.

Sweep Program Default Feature. As it is a default feature, when you establish a brokerage account with us and unless your opt out of the sweep programs, one of the sweep options will be **automatically** assigned to your brokerage account depending on the account type (individual, business, trust, etc.) and client type without the recommendation or advice of your Financial Advisor either under Regulation Best Interest, or as a fiduciary under the Investment Advisers Act.

- **Sweep Options and Eligibility:** UBS offers two main UBS Deposit Sweeps options – (1) the FDIC-Insured Deposit Program and (2) the UBS Bank Sweep Programs, which consist of three sub-programs: (i) the UBS Deposit Account Sweep Program (**Deposit Program**), (ii) the UBS Business Account Sweep Program (**Business Program**), and (iii) the UBS Insured Sweep Program (**UBS-ISP**).

    - The **UBS FDIC-Insured Deposit Program** and the **UBS-ISP** are "multi-bank" programs in which cash balances sweep to UBS Bank USA and to other FDIC-insured banks participating in the programs (collectively **Program Banks**) that have entered into an agreement with UBS. The order in which deposits sweep to UBS Bank USA and other Program Banks in the UBS FDIC-Insured Deposit Program and the UBS-ISP is described in the Priority List applicable to your Account available at ubs.com/bankprioritylists.

The UBS FDIC-Insured Program is only available as a sweep option if you are a U.S. resident and your Account is owned by a revocable or irrevocable trust where our records indicate that all beneficiaries are either individuals and/or not-for-profit organizations.

The UBS-ISP is currently the default sweep option for most eligible

retail and business accounts including most brokerage retirement accounts. For purposes of UBS Deposit Sweeps, "**Retirement Accounts**" mean (i) individual retirement accounts including traditional, Roth, SEP, and SIMPLE, and Coverdell education savings accounts, and (ii) employee benefit plans qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, or under any other employee retirement or welfare plan subject to the Employee Retirement Income Security Act of 1974, as amended including individual participant accounts under a defined contribution plan.

- The **Deposit Program** and the **Business Program** are legacy sweep options that are available respectively, to retail and business accounts. These programs do not accept new accounts except as follows:

Retirement Accounts in the following programs will enroll in the Deposit Program: Discretionary Programs, SWP, CAP, Institutional Consulting, and Separately Managed Account Programs (ACCESS or MAC) managed by a UBS affiliate. Individual participant accounts under a defined contribution plan in these programs will sweep to the Business Program.

UBS Bank USA is the only bank available in the Deposit Program and the Business. Cash balances for these programs sweep to UBS Bank USA without regard to FDIC insurance limit.

Account Types Sweeping to Money Market Funds: An account is not eligible for any of the UBS Deposit Sweeps (**Ineligible Account**) if the account is (1) owned by a financial institution (insurance companies, broker-dealers, investment advisors, fund companies, hedge fund companies, private pension funds, public retirement funds, state and federal chartered banks, state and federal chartered credit unions, state and federal chartered savings associations, and state and federal chartered trust companies), (2) is a Qualified Plan pool account, (3) plans established under Section 403(b)(7) of the Internal Revenue Code, or (4) a corporate cash management account. Ineligible Accounts sweep to Sweep Funds, specifically the UBS Liquid Assets Government Fund (for retirement accounts) or UBS RMA Government Money Market Fund (for non-retirement accounts). Shares in Sweep Funds are not insured by the FDIC, are not deposits and may lose value. Please see the "Alternative to the UBS Deposit Sweeps – Sweep Funds" section below. UBS-FS and our affiliates receive compensation in addition to the Program Fees you pay us for investments in Sweep Funds. UBS at its discretion will consider a client to be ineligible if UBS becomes aware that the entity is prohibited as a matter of law from holding funds at any bank.

Accounts for Puerto Rico residents are eligible for the UBS Deposit Sweeps but will not be assigned a default sweep option. Clients may enroll in a program by contacting their Financial Advisor.

Converting a Brokerage Account to an Advisory Program and Impact on Sweep Options: When you convert your brokerage account into an Advisory account, the original default sweep option for your brokerage account will remain the same unless your brokerage account is a retirement account, (including Individual Retirement Accounts, individual participant accounts under a defined contribution plan, and Qualified Plans) and you are enrolling the account in one of our Discretionary Programs, SWP, UBS-CAP, Institutional Consulting, or Separately Managed Account Programs (ACCESS or MAC) where your advisory account will managed by a UBS affiliate. The default sweep option for Retirement Advisory Accounts those accounts in the Advisory Programs will be the Deposit or Business Program.

If cash balances in your brokerage account were sweeping to the UBS-ISP, the change to the Deposit Program will mean you will lose the benefit of receiving FDIC insurance for balances above the deposit limit of $250,000 per depositor insurable ownership category offered by the multi-bank structure of the UBS-ISP. See "***UBS Deposit Sweeps – FDIC Insurance Coverage and Limitations"*** below for important information on FDIC insurance coverage limitations.

Cash balances in brokerage accounts ineligible for the UBS Deposit Sweeps will continue to sweep to the Sweep Funds upon enrollment in an Advisory Program. For qualified plans with a pooled structure and 403(b)(7) accounts, our affiliate's compensation from the money market fund will be limited to reimbursement of its direct costs and expenses for providing services to the fund. All fees and reimbursements for direct costs and expenses paid to our affiliate by such a fund are in addition to the fees you pay us.

Financial Advisor Compensation and Advisory Program Fees

Financial Advisors are compensated on brokerage assets in the UBS Deposit Sweeps or the Sweep Funds under qualifying conditions as described in the Program Disclosures. When your brokerage account is converted into an Advisory Account those same assets, cash and cash alternatives, including assets deposited in UBS Bank USA Core Savings, are subject to the Program Fee charged in the investment advisory programs which reduces the value of any interest you receive on those assets. Your Financial Advisor receives a portion of the Program Fee you pay in the Advisory Programs. This creates a conflict of interest and an incentive for your Financial Advisor to recommend that you hold your cash assets in an Advisory Account. See "***Billing on Cash and Cash Equivalents in Your Advisory Accounts"*** for a description of the practices in place to address these conflicts of interest.

Your Financial Advisor does not currently receive compensation over and above your Program Fee in connection with UBS Deposit Sweep in Advisory accounts. UBS reserves the right to pay a fee to your Financial Advisor in connection with UBS Deposit Sweep at any time without prior notice. Upon request, UBS will provide you with information about UBS's compensation arrangements with respect to its sweep options.

Deposit Programs - Interest Rates: Interest rates on the deposit accounts in the UBS Deposit Sweeps are tiered based on your total eligible deposits in a Marketing or Qualified Plan Relationship as defined in the "General Terms and Conditions" of the Agreements and Disclosures booklet, which is available at ubs.com/accountdisclosures or by contacting your Financial Advisor.

Interest rates for sweep programs may be higher or lower than interest rates available on other cash alternatives, such as money market mutual funds. Interest rates are generally lower in a high interest rate market cycle but may be higher in low interest rate market cycles. In addition, interest rates may be higher or lower than interest rates available to depositors making deposits directly with a Program Bank in the UBS FDIC-Insured Deposit Program or the UBS-ISP, or other depository institutions in comparable accounts.

The interest rates in all UBS Deposit Sweeps programs are generally the same but may differ by account type (advisory and brokerage accounts). As of December 31, 2024, for Advisory Accounts, the annual percentage yield on the lowest tier of the UBS Deposit Sweeps was 0.25% and 2.30% for the highest tier, while the seven-day current yield on the Sweep Funds ranged from 3.71% - 4.34%.

Deposit sweep balances in advisory accounts established after the 5th business day of the month will accrue interest at the brokerage rate assigned to their tier until the beginning of the next interest period. If the advisory rate for your tier is higher than the brokerage rate, we will credit your account for the difference at the beginning of the next interest period.

Determination of Sweep Programs Interest Rates. UBS-FS does not set the interest rates for the sweep programs. UBS Bank USA reviews the rates payable to clients on a daily basis in the UBS Deposit Sweeps versus other sweep programs available through broker-dealers to ensure such rates are aligned with the industry and market.

These rates of interest paid on sweep deposits are determined by a UBS Bank USA interest rate committee that considers prevailing business and economic conditions, as well as interest rates paid by competitors' bank deposit sweep programs. The committee is comprised of employees of UBS Bank USA, including those who also undertake activities on behalf of UBS-FS in managing the sweep programs. The interest rate is determined prospectively not retroactively. In addition, on an annual basis, the UBS-FS Board reviews the interest rates with the Head of Deposits of UBS Bank USA. The unaffiliated banks in the UBS-ISP and UBS FDIC-Insured Program set their rate for UBS-FS accounts using the rate established by UBA Bank USA. Those same banks may offer different or higher interest rates for deposits placed directly with their institution or through sweep programs offered by other broker-dealers.

Employees involved in the business of UBS-FS as a registered investment adviser are not involved in setting the rate of interest for the sweep programs or in determining the sweep options for UBS-FS brokerage or advisory accounts.

The default options for your Accounts will not be changed based on differences in yields between the UBS Deposit Sweeps, the Sweep Funds or any other cash alternatives. For example, if Sweep Funds yield a higher interest rate than the UBS Deposit Sweeps, and the default option for your account is the bank sweep, that will remain unchanged. Please see "UBS Deposit Sweeps - Interest rates**"** for information on interest rates applicable to UBS Deposit Sweeps.

See "Financial Conflicts of Interest: Benefits to UBS and its Affiliates" for a description of the compensation received by UBS in connection with this program.

FDIC Insurance Coverage and Limitations: Deposit balances in the UBS Deposit Sweeps are eligible for deposit insurance provided by the FDIC at each bank up to a total of $250,000 including principal and accrued interest for each depositor per each insurable ownership capacity (e.g., individual, joint, IRA) , provided that the requirements for deposit insurance have been met. Deposit balances in the UBS Deposit Sweeps are not eligible for protection by SIPC. Qualified Plan accounts are eligible for FDIC insurance up to a total of $250,000 per plan participant based on each participant's non-contingent interest in the employee benefit plan. Please see FDIC coverage limitations below:

- If your Advisory Account is enrolled in the Deposit Program or the Business Program (after November 2019), cash in all Advisory Accounts will be swept into deposit accounts at UBS Bank USA **without any limit**, which means your deposits can exceed FDIC coverage
- If you are enrolled in the UBS-ISP or the UBS FDIC-Insured Deposit Program, cash balances up to $249,000 per account ($498,000 for accounts with two or more joint owners) (**Deposit Limit**) will be swept into deposit accounts at UBS Bank USA and each Program Bank in the order in which the banks are listed in the Priority List applicable to your account. UBS Banks USA is the first bank in any Priority List. Once funds equal to the Deposit Limit have been deposited for you through the UBS-ISP or the FDIC-Insured Deposit Program at each Program Bank, any additional cash balances will be swept to the deposit account at UBS Bank USA without regard to the FDIC insurance limit. Please note that FDIC insurance covers deposit balances at UBS Bank USA up to $250,000 per depositor per insurable ownership capacity.

As of the date of this Brochure, the total amount of deposits eligible for FDIC insurance in each program (**Program Deposit Limit**) is as follows: Program Deposit Limit for (1) the UBS-ISP offers insurance coverage is up to $3.735 million for individual accounts ($7.47 million for accounts with two or more joint owners), $3.735 million for retirement accounts, and $3.486 million for business accounts; and (2) the UBS FDIC-Insured Deposit Program offers insurance coverage up to $2.49 million ($4.98 million for accounts with two or more joint owners). The Program Deposit Limits are subject to change depending on the number of Program Banks participating in each program. For the current list of Program Banks, please see the Priority List applicable to your program and Account available at ubs.com/bankprioritylists. ***See "Conflicts of Interest: Benefits to UBS" for a description of the compensation received by UBS in connection with this program.***

For all UBS Deposit Sweeps, assets eligible for FDIC coverage include all of your deposits with UBS Bank USA, or any Program Bank in the UBS-ISP or the UBS FDIC-Insured Deposit Program as applicable. For your deposits with UBS Bank USA, those balances, including cash swept through eligible UBS-FS accounts or through a third-party broker-dealer sweep program, any certificates of deposit issued by UBS Bank USA and any UBS Bank USA Core Savings deposits you own in the same insurable ownership category, will be aggregated for purposes of the FDIC coverage limit which, depending on the total amount, may exceed the maximum limit covered by FDIC insurance.

In addition, the amount deposited at UBS Bank USA and other Program Banks may exceed the amount covered by FDIC insurance if you have more than one Account that sweeps through the UBS Deposit Sweeps or hold other deposits at the banks in addition to the sweeps.

You are responsible for monitoring the total amount of deposits that you have with UBS Bank USA and each Program Bank to determine the extent of FDIC deposit insurance coverage available to you. FDIC deposit insurance only covers the failure of an insured bank. UBS-FS is not an FDIC-insured bank. Deposit balances in the UBS Deposit Sweeps are not eligible for protection by SIPC. Please refer to the Program Disclosures for the UBS Deposit Sweeps for more detailed information regarding FDIC insurance. You may obtain a copy of each Program Disclosure by contacting your Financial Advisor. It is also available at *ubs.com/accountdisclosures.*

2. Alternatives to the UBS Deposit Sweeps – Sweep Funds

Investors who are not eligible to participate in the UBS Deposit Sweeps – such as financial institutions, qualified plans with a pooled structure, 403(b)(7) accounts and corporate cash management accounts – will be assigned an available money market fund as their sweep option. UBS RMA Government Money Market Fund and UBS Liquid Assets Government Fund are the

funds currently available for non-retirement accounts and retirement accounts, respectively.

For more information about any of the money market funds available as a sweep option, including all charges and expenses, please contact your Financial Advisor for a prospectus or go to *ubs.com/sweepyields*.

Non-U.S. residents are not eligible for any of the money market funds available as sweep options.

UBS Asset Management (US) Inc. is the distributor for the Sweep Funds.

Other sweep options may be available from time to time, and you should discuss your options with your Financial Advisor. You may also choose to maintain any cash component of an asset allocation strategy outside of your UBS Advisory Accounts.

You could lose money by investing in a money market fund. Although each of the money market funds named above seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, is not a deposit, and may lose value. Each money market fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Conflicts of Interest and Benefits to UBS and its Affiliates:

UBS Bank USA and UBS-FS receive substantial financial benefits for activities related to the deposit accounts and investments in the money market funds.

UBS Deposit Sweeps - Benefits to UBS-FS: Your Program Fee applies to the cash and cash equivalents in your Advisory Account, including cash that is swept into the various sweep options. You can hold cash in a brokerage account without incurring the Advisory Program Fee. Please see section *"Billing Practices—Billing on Cash and Cash Equivalents in Your Program Accounts*" for details. UBS Bank USA pays UBS-FS an annual fee of up to $50 per securities account that sweeps to UBS Bank USA through the UBS Deposit Sweeps.

UBS Deposit Sweeps - Benefits to UBS Bank USA: UBS Bank USA uses deposit balances in the UBS Deposit Sweep Programs to fund new lending and investment activity. Its profitability is determined largely by the difference between the interest paid and costs associated with deposit balances, and the interest or other income earned on its loans, investments and other assets. UBS Bank USA improves its profitability when it lowers the interest rates paid and the costs associated with deposit balances. The yield UBS Bank USA provides is based on industry comparables (selected by UBS Bank USA) such as the yields of other banks, as well as prevailing business and economic conditions; it is not based on the yields provided by other cash or cash equivalents such as money market funds and treasuries. Having more assets sweeping to UBS Bank USA provides significant economic benefits to UBS as a whole.

Compensation to UBS Bank USA in the UBS-ISP and to UBS in the UBS FDIC-Insured Deposit Program: Third party banks that benefit from the cash deposited with them pay UBS Bank USA in the UBS-ISP and UBS-FS in the UBS FDIC-Insured Deposit Program a percentage-based amount based on a stated index, typically the Fed Funds rate plus a spread, known as the Total All-in Cost of Funds rate ("TACF"). The TACF includes an accrual for both (i) interest on deposit balances that is accrued and credited to client's deposit account and (ii) a custodial agent fee that is payable to UBS Bank USA or UBS, as applicable. The TACF as of the date hereof averages approximately 0.22% annually on the deposit accounts. A portion of the TACF is also paid by UBS Bank USA or UBS-FS to a third party administrator and the balance is retained by UBS Bank USA or UBS-FS, as applicable. The compensation to UBS Bank USA or UBS-FS significantly exceeds the amount paid to clients as interest on their deposit account balances at the third party banks. Also, because the yields for both the UBS Bank Sweeps Program and the UBS FDIC-Insured Deposit Program may vary over time, the amount retained by UBS Bank USA or UBS will fluctuate. Clients with Advisory Accounts will earn the same interest rate in all of the UBS Deposit Sweep Programs, regardless of which banks their cash is deposited in.

In the UBS-ISP, UBS Bank USA receives additional deposits from these non-affiliated banks and financial institutions in the network, which provides additional benefits to UBS Bank USA. Deposits received by UBS Bank USA through the network are less costly for UBS Bank USA because the deposits are fully insured. This lower cost should allow UBS Bank USA to increase its earnings on its loans, investments and other assets.

Conflicts of Interest: To address the conflicts of interest associated with the UBS Deposit Sweep we have program guidelines designed to promote diversification and limit the maximum percentage of cash held in an Advisory Account. Accounts that exceed the maximum cash threshold over a specified period of time in the PACE, Strategic Advisor, and PMP Programs will be removed from the programs and converted to brokerage accounts. In addition, money market funds may be available for purchase as an alternative to the UBS Deposit Sweep Programs.

Our monitoring of cash in Advisory Accounts **does not** include a review of cash balances being swept to deposit accounts at UBS Bank USA through the UBS Deposit Sweep to determine if there are cash balances sweeping in excess of the FDIC insurance limit. **You are responsible for monitoring the total amount of deposits that you have with UBS Bank USA and other participating banks to determine the extent of FDIC deposit insurance coverage available to you on those deposits.**

Clients seeking higher yielding cash equivalent investments should consider the several cash alternatives we have available, including the aforementioned money market funds, short-term certificates of deposit (CDs) and treasuries.

We may change or discontinue the sweep feature, sweep programs or specific sweep options at any time in our sole discretion. We will notify you of material changes to this account feature.

3. Important Information about Your Sweep Options for PACE Investments Only:
PACE is an asset allocation program that is fully invested and does not have a cash sweep feature. However, since your PACE investment is held within a UBS brokerage account (e.g., RMA, basic investment account, etc.), available cash balances in the brokerage portion of the basic investment accounts and RMA accounts are automatically swept in accordance with the terms of your brokerage account agreement which differ from those available to Advisory Accounts.

4. SIPC Protection: Please note the following:

UBS-FS is a member of SIPC. SIPC provides protection for securities in your accounts with us up to $500,000, including

$250,000 for free cash balances in the unlikely event that we fail financially. For details please see www.sipc.org. The SIPC asset protection limits apply, in total, to all accounts that you hold in a particular capacity. Investments in the sweep money market funds are not deposits and are not protected by the FDIC. However, money market funds, are protected by SIPC as securities and are covered by the excess SIPC insurance that we have obtained for the benefit of our clients. The maintenance of a given share price value (e.g., $1.00 per share) by the funds is not insured or guaranteed. **See the Account Information Booklet and the Disclosure Statement for more information regarding SIPC protection.**

C. Billing Practices

The billing process described below is subject to change upon prior written notice to you.

1. Relating Accounts for Billing Purposes

You may request to have two or more eligible Advisory Accounts be treated as related accounts for purposes of taking their assets into consideration in order to calculate the Program Fee. This means that all eligible assets in those accounts will be considered together when determining breakpoints, if applicable, in the fee schedule.

Relating Advisory accounts can provide the opportunity for price reductions at certain breakpoints. Advisory Accounts that are part of UBS-CAP will be automatically related for billing purposes unless prohibited by applicable rules or regulations (for example, ERISA).

If you choose a breakpoint fee schedule for your Account, you should review and consider the potential benefits of relating advisory accounts. Beginning January 2021, the Program Fee for Advisory Accounts outside the IC Program with a breakpoint fee schedule that are terminated prior to the quarterly billing process will be based on the relationship rate for that Account, not the contractual rate as previously done. Please contact your Financial Advisor for more information on the definition of eligible accounts and how to choose this billing option. Retirement Accounts may not be linked where a prohibited transaction under ERISA or the Internal Revenue Code may result.

2. Minimum Annual Fees

With the exception of IC, our Programs do not impose a minimum annual fee. In IC, the minimum fee is $10,000 or the maximum program fee with respect to services selected and the value of Eligible Investments, whichever is less.

3. Initial Program Fee

Generally, we will deduct your Initial Program Fee from your Account during the same month in which your Account is accepted for the Program. The fee is calculated on the market value of the eligible assets on your billing start date, pro-rated to cover the period from the date your account is accepted or the following day, through the end of the calendar quarter. However, if the Account is opened in the last four business days of the calendar quarter, billing includes those days plus the next full calendar quarter. Thereafter, the fee will be based on the value of your Account on the last business day of each calendar quarter. The Initial Fee is then adjusted in the following quarter based on the average daily value of the account, as described below in Quarterly Fee Adjustment.
To enhance internal billing processes, initial billing for accounts that enroll during the last four days of the prior quarter will change in the future. This update is an administrative change only and will not impact the total account fees paid by clients. Initial billing for these accounts will no longer use the enrollment date account value to calculate a Program Fee for the final four days of the prior quarter plus the subsequent quarter. Instead, the Program Fee will consist of two calculations, aggregated to a single fee: 1) the actual daily account value will be used to determine the Program Fee for the last four days of the quarter using the fee rate(s) included in the program application; and 2) the account value on the last business day of that quarter will be used to determine the Quarterly Fee for the subsequent quarter (see 4. Quarterly Fee below for more details) details).

4. Quarterly Fee

After the assessment of the Initial Program Fee, your subsequent Program Fees will be assessed quarterly based on the net asset value (i.e., fair market value of the eligible assets including dividends and, where applicable, accrued interest, the value of margin loans) in the Account on the last business day of each calendar quarter. Fees will be charged directly to your account in the month following the close of a calendar quarter unless you have either designated another eligible UBS account to pay the Program Fee or elected to have your fee invoiced to you (non-IRA qualified plans only). Your fee is an annual percentage of your account assets, and you will pay the fee quarterly in advance, pro-rated according to the number of calendar days in the billing period. The Quarterly Fee is then adjusted in the following quarter based on the average daily value of the account, as described below in Quarterly Fee Adjustment.

Account statements display a total account value less any margin loans or short positions held in your Account. Generally, because the billing calculation does not deduct the value of short positions, the amount on which we calculate your fee may be higher than the account value displayed on your account statement.

For MAC and IC, certain assets are considered ineligible for billing purposes. For example, option securities, and the value of those assets will not count toward the billable value of the assets in your MAC or IC Account. Both long options positions and short positions are not taken into consideration for billing purposes.

Since short positions reduce the overall value of the account, to the extent the short positions in your account exceed the value of any long positions, the billing for your account will be higher than would be the case if option positions were considered for billing purposes. Because the billing calculation excludes options positions, the amount on which we calculate your fee may be higher or lower than the account value displayed on your account statement.

Below is an example of how an annual fee for an account would be calculated:

Quarterly fee = Account Value x Annual Fee % x (Billing days/Number of days in the year)

For example:

A typical second quarter period begins on April 1st.

Possible account net asset value on March 31 = $100,000 (or the last business day of the first quarter)

The annual fee percentage = 2.5% (the maximum fee in our Advisory Programs)

Billing days = 91 (i.e., April 1 – June 30)

The quarterly fee = $100,000 x 0.025 x (91/365)
= $623.29

Program Fee Billing for Options Overlay Strategies

Generally, Program Fees for Advisory Accounts are calculated based on the value of eligible assets in your Account. As the value of the assets in your Account changes due to appreciation, depreciation, contributions or withdrawals, those changes impact the actual Program Fee charged on the Account. The billing practice for Options Overlay Strategies is different from the standard process described in the Advisory Relationship Agreement and Form ADV. In order to enroll in an Options Overlay Strategy, you will be required to select a "Mandate" for the Strategy. The Mandate amount is the amount of collateral you are willing to put at risk. For example, you have accounts with $10 million in assets and decide to commit $3 million out of the $10 million as collateral for the Options Overlay Strategy, the Mandate amount is therefore $3 million.

Unlike other advisory strategies where your Program Fee is typically determined on the value of eligible assets in an account, billing for Options Overlay Strategies is based on the Mandate amount of the strategy (which in the above example, is $3 million). However, the Options Overlay Strategy account may have significantly less than $3 million in actual asset value (the value of the options/calls/puts/cash in the account). While the actual value of assets in your account will fluctuate over time, the Mandate remains constant unless you change it by notifying your Financial Advisor or UBS lowers the Mandate. In cases where UBS lowers the Mandate, we will notify you in writing of the change. Depending on the value of your Options Overlay account, this practice of billing on the Mandate amount will result in higher compensation to UBS, your Financial Advisor, and the strategy manager than if the Program Fee was based on the value of eligible assets in your Options Overlay Strategy account in MAC.

Number of Contracts and Market Exposure: Options Overlay Strategies employ a varying number of contracts at any point in time. While your mandate will determine the maximum amount at risk and maximum market exposure, it also indicates to the Portfolio Manager a maximum number of contracts at any point in time. The actual number of contracts in your account will vary and can be significantly less than the maximum. Regardless of the number of contracts employed, you will still be billed on your selected mandate.

5. Quarterly Fee Adjustment

We will adjust the Quarterly Fee that was charged in advance based on the account's average daily balance during that quarter. At the end of each quarter we will recalculate the Quarterly Fee using the account's average daily balance during the quarter. Any difference greater than $25 from the quarterly fee assessed in advance will be debited from or credited to the Account. **Using the average daily balance to adjust the fee captures both contributions/withdrawals *and* changes in market value during the quarter.** If the market value of the Account increases during the quarter, the fee you pay will increase (unless offsetting withdrawals are made from the Account). Similarly, if the market value of the Account decreases during the quarter, your fee will decrease (unless offsetting deposits are made to the Account).

Adjustments will be due and payable within the first month of the new quarter and will be reflected on your monthly account statement as a Prior Quarter Fee Adjustment. This process will also be applied to adjust the Initial Program Fee.
For example:

- Value of account on the last day of the prior calendar quarter: $250,000
- Annual Advisory Fee Rate: 1.5%
- Quarterly Fee charged in advance = $945.21 - calculated as follows ($250,000 (quarter end value) x 1.5% (annual fee rate) X (92 days (days in the quarter) / 365 days (days in the year) = 945.21).
- Avg. Daily Balance Adjustment: Following the end of the calendar quarter, the Quarterly Fee will be re-calculated and adjusted based on the average daily balance during that quarter.

If the average daily balance of the account during the quarter was $265,000, the recalculated fee would be $1,001.92 and the difference between the original fee and recalculated fee of $56.71 would be charged to your Account.

The quarterly adjustment fee = $265,000 x 0.015 x (92/365) = $1,001.92
$1001.92 - $945.21 = $56.71

This Quarterly Fee Adjustment does not apply to assets held away from UBS (including DVP accounts). Advisory Assets not held at UBS are invoiced and billed quarterly based on the value of the eligible assets in the account at the end of the prior quarter as reported by the custodian to UBS. Assets held away from UBS in the IC Program are billed quarterly in arrears while assets held away for the other Programs described in this Brochure are billed quarterly in advance. Fees for assets not held at UBS are not adjusted for contributions or withdrawals or changes in market value during the quarter.

6. Impact of Alternative Investments Valuation and Redemptions on your Program Fee.

The valuation of alternative investments held at UBS, or at other financial institutions, reflects the records of the issuers and administrators of those funds. UBS does not guarantee the accuracy of the information. The value shown is not necessarily the value you would receive from the issuer if you sold the assets. Funds actively sold by UBS are subject to ongoing due diligence, although the level performed may vary. In very limited circumstances, a closed fund may be subject to no ongoing diligence. A fund that you purchased elsewhere may never have been subject to UBS FS diligence.

The NAV is primarily based on **estimated** portfolio values provided by the underlying fund sponsor. Reported estimates may not reflect resale, liquidation or repurchase value, if any, and may not reflect distributions of capital until the next valuation is reported, generally on an annual or semi-annual basis. ***These valuation practices are important because we calculate the Program Fee for alternative investments you hold in Advisory Accounts based on these estimates.***
For purposes of calculating the Program Fee, we will use the valuation of alternative investments available/reported to us as of the billing date. Valuation for alternative investments is often delayed, sometimes significantly, and is not provided to us in a timely manner. As a result, the valuation we use for purposes of calculating the Program Fee may not be current with the actual value of your investments at the time billing is processed and, depending on the circumstances, may result in a higher Program Fee. You should carefully consider the impact of these valuation delays on the Program Fee you pay to us.

Redemptions and "Hold Back" Promissory Notes: For Program Accounts holding eligible alternative investments,

proceeds from redemptions are not to be received into the Advisory Account for a period that can extend over several months after a redemption request is submitted and is effective. As a result, the Program Fees charged originally are based on the value of the alternative investment fund inclusive of the value of the alternative fund pending redemption. Proceeds from "hold back" promissory notes are usually received within 18 months of issuance.

You will receive a credit of the Program Fee imposed on alternative investments you redeem in whole or in part while you hold these investments in Advisory Programs. Credits will be based on the effective date of redemption.

Example for illustration purposes only.

Fund ABC has a quarterly redemption period. Notice of redemption is due 9/30 and processed 12/31 (the "effective date"). Although the redemption is processed by the fund on 12/31, UBS may not receive the proceeds of the redemption for up to 120 days ***after*** the effective date of 12/31. Once received by UBS, the cash proceeds due to client will include a promissory note if the fund imposes a "holdback."

Program Fees will be imposed on the value of the alternative investment only until the effective date of redemption (in this example: 12/31). Thereafter, the Program Fee may not include the investment proceeds until such time as the cash proceeds are received which could be 120 days later. Fees previously imposed will be credited to your Account.

In addition, Program Fees may not be imposed on any promissory notes received as a result of a holdback.

7. Additional Billing Practices.

SMA Manager Fees: We calculate SMA Manager Fees for ACCESS, SWP and AAP accounts/sub-accounts, and for MAC and IC Accounts where the SMA Manager fee is deducted directly from the Account, in accordance with our billing practices described above. The SMA Manager Fee is included in the Quarterly Fee and Prior Quarter Fee Adjustment reflected on your account statements. We pay the SMA Manager Fees on your behalf based on all activity (i.e., initial billing, quarterly billing, prior quarter fee adjustment) and assets in their strategies.

Withdrawals from ACCESS, SWP and AAP Programs: We will liquidate securities to raise sufficient funds to satisfy withdrawal requests. The cash will be subject to the Program Fee until it is withdrawn from the account. Cash pending withdrawal will be reinvested in the account if not withdrawn within 35 days of the request in ACCESS, SWP and AAP Programs.

There may be instances when available funds to satisfy withdrawal requests are unavailable due to differences in the settlement dates of traded securities. In those instances, available funds may be delayed for up to two days. Because of the funding and withdrawal rules in SWP and AAP, and depending on the overall allocation of the account, raising funds to fulfill a withdrawal request may take additional time.

Billing Practices in the UBS Strategic Wealth Portfolio program (SWP) and Advisor Allocation Program (AAP)
The Strategic Wealth Portfolio and Advisor Allocation Programs have a "Blended Program Fee" that includes: the UBS Investment Advisory Fee that is applicable to all assets in the Account and fees for the portfolio management services in the SMA sub-accounts.

Fees for your sub-accounts and SMA Managers will vary depending on the strategy selected. Please consider the following information about fees and discuss any questions with your Financial Advisor:

- Because each sub-account may be subject to different fees, your Blended Program Fee will change depending on a variety of factors, including, the value of the assets in each sub-account, market movements, your contributions and withdrawals, any changes to your allocation or the selection of a new SMA strategy. As a result, the Blended Program Fee may be more or less than the Blended Program Fee shown in your account application or confirmation letters. Changes to your Target Allocation and/or investments will be confirmed to you in writing.

- The Initial Program Fee for the Strategic Wealth Portfolio and Advisor Allocation programs will be calculated based on the value of the assets on the date your Account is accepted and the Target Allocation selected by you in SWP and by your Financial Advisor in AAP (even if the Target Allocation is not fully implemented at that time). Thereafter, the Blended Program Fee will be based on the net asset value and the actual allocation across sub-accounts on the last business day of each calendar quarter and will cover the next calendar quarter. However, if your Account is pending a change to the investment selection(s) to the target allocation at or about the time the Program Fee is calculated, the Blended Program Fee will be based on the Target Allocation.

- When SMA sub-accounts are included, the Blended Program Fee rate is calculated at the time of the billing event based on the allocation as described above, and is rounded to three decimal places. Future changes to your fee and/or asset allocation made by you and/or your Financial Advisor will also be calculated in this manner and you will receive a letter reflecting these changes.

- If sufficient funds are not available in your Account to cover the fee, then assets from each sub-account in your account will be liquidated to pay the portion of the fee attributable to that sub-account. Bear in mind that your Target Allocation may not be fully implemented when you initially open your Account or if you, or your Financial Advisor in AAP, happen to reallocate your assets, for reasons that include the time lag in receiving proceeds from transactions or a lack of funding to completely fund multiple SMA Managers. See the section "Account Requirements and Types of Clients—Funding Your Account—SWP and AAP Programs: Funding Multiple Investment Managers" for additional information.

- During the quarter, if you (for SWP), or your Financial Advisor (for AAP), add an investment to or remove an investment from the target allocation, we will make the fee adjustment at the end of the quarter based on the account's average daily balance (and the balance of each sub-account) during the quarter, as described in *Quarterly Fee Adjustments* above. This adjustment includes any charges or refunds to your SMA Manager Fees (see *SMA Manager Fees* above) and will be reflected on your monthly account statement as a Prior Quarter Fee Adjustment.

Debiting/Invoicing Program Fees. Program Fees are debited from your Account unless you have designated another eligible UBS account to pay the Program Fee, or you have chosen to have your fee invoiced. Payment of your Program Fee will be reflected on the monthly account statement of the account that is paying the fee. If you direct us to automatically debit your Program Fees from another UBS account (referred to as a "Bill To" account), at the time billing is processed, we will confirm that the UBS Bill To account has sufficient funds to cover your Program Fee. Failure to maintain sufficient funds to satisfy the Program Fee from the other account you designated will result in deduction of the Program Fee directly from your Advisory Account. If you wish to revert to direct debiting the

Program Fees from the Advisory Account, please contact your Financial Advisor.

The authorization to bill the other account will be terminated and your Advisory Account will revert back to direct debit if the Bill To account is deemed no longer eligible or is terminated. However, the Bill To feature is not automatically terminated when there is a title/ownership change, or new authorized parties are added to the Bill To account. It is your responsibility to contact your Financial Advisor in order to update your billing features. There may be tax consequences associated with the selection of a Bill To account to pay the advisory fees of another account, and, therefore, you should discuss this option with your tax adviser.

IRAs and ERISA Qualified Plans cannot pay the managed account fees for another account.

Qualified employee benefit plans may choose to be invoiced for the Program Fee by directing us to do so in writing. Payment will be due within 30 days of the mailing of the invoice. If the fee is not received within 30 days, the Account may be debited. Failure to pay invoices in a timely manner may result in a loss of the feature and your account will revert back to a direct debit status. All other account ownership types are not eligible for invoicing. From time to time and in our sole discretion, however, we may make the invoicing feature available to select IRA or IC Accounts for the invoicing of the Program Fee.

MAC and IC SMA Manager Fees: When requested by the SMA Manager UBS will deduct the SMA Manager's fee directly from your Account. Otherwise, the SMA Manager in the MAC and IC Programs will bill you directly. When the Manager's fee is deducted directly from the account, the fee billing will be done in accordance with UBS's billing practices which in some cases may be different from those described in the Investment Management Agreement you signed with your MAC or IC Manager. This could result in Manager fee billing that is higher or lower than if the Manager were to bill you directly.

PACE and Program Fee Payment Hierarchy: You may choose to have your PACE Program Fee paid from assets within your PACE investment or non-PACE participating assets that are held in your Account. **The PACE program automatically defaults to deducting your Program Fee out of your non- PACE assets unless you instruct us otherwise**. Payments from your PACE assets will be processed by selling shares of PACE Money Market Investments. If sufficient funds are not available, then Program Assets in your account will be liquidated by selling shares of the mutual funds or Multi Funds/Select Portfolios in your account. The specific order (i.e., first to last) for redeeming shares for this purpose is listed below. Sales will be made first from the largest fund position in the first asset.

PACE Select Advisors:

(1) UBS Government Money Market Investments	(8) PACE Large Cap Growth
(2) PACE Mortgage-Backed	(9) PACE Small/Medium Value
(3) PACE Municipal Fixed	10) PACE Small/Medium Growth
(4) PACE Intermediate	(11) PACE International Equity
(5) PACE Strategic Fixed	(12) PACE Global Real Estate
(6) PACE High Yield	(13) PACE International Emerging
(7) PACE Large Cap Value	(14) PACE Global Fixed Income
	15) PACE Alternative Strategies

PACE Multi Advisor:

(1) UBS Government Money Market Investments	(13) REITS – US Equity
(2) Mortgage Back Securities	(14) REITS – Medium Cap
(3) Municipals	(15) REITS – Small Cap
(4) US Fixed Income	(16) Global Equity
(5) High Yield Corp	(17) International Equity
(6) Global Fixed Income	(18) Develop Markets
(7) Balanced	19) Emerging Markets
(8) Large Cap Equity	(20) Emerging Mkts Fixed Income
(9) Medium Cap Equity	(21) Hedge Funds
(10) Small Cap Equity	(22) Non Traditional
(11) US Equity – Other	(23) Commodities
(12) Convertibles	(24) Other

If you instruct us to deduct the Program Fee from non-PACE assets, we will do so by debiting first any available cash or non-PACE eligible money market funds in your brokerage account. If sufficient funds are not available, we will debit the fee from the PACE assets as indicated above.

Debit balances in your accounts: We charge interest according to our firm's usual credit practices if payment of the Program Fees result in a debit balance in your account. These charges may include:

- Compound interest
- Increases in interest rates that reflect adjustments in the base loan rate (as defined in our Statement of Credit Practices)
- Charges to cover the cost of the firm's facilities and extra services

Payment of the fees and any interest may be made at any UBS office. Please refer to the UBS Statement of Credit Practices for more information.

Offsets, Credits and Rebates and Billing Exclusions Available in Certain Programs

12b-1 Fees Offsets for Accounts in Discretionary Programs and IC Accounts. In Discretionary Programs and in IC Accounts, we will reduce your Program Fee by the amount of any trailers or 12b-1 fees associated with those Class A mutual fund shares in your Account by depositing the 12b-1 fees and trailers into your Account to reduce your Program Fee.

Treatment of 12b-1 Fees in Non-Discretionary Programs. In PACE, Strategic Advisor and SWP, the 12b-1 fees for Class A shares of domestic funds that remain in the Programs are retained by UBS and are not paid to Financial Advisors. However, these amounts are allocated to the individual branch offices as "non-compensable revenue" (revenue that is not paid out to Financial Advisors or Branch Office Managers) but are considered as part of the overall profitability of the branch, and as one of several components used in determining Branch Office Manager compensation.

Treatment of Offshore Fund Trails: For offshore funds, trails on the Class A shares are credited to clients in Strategic Advisor and SWP. Clients in Discretionary Programs continue to receive a credit of 12b-1 fees and trails for Class A shares held in those Accounts.

The different treatment of 12b-1 fees for domestic funds and offshore fund trails in the various Advisory Programs means UBS receives higher compensation in connection with Class A shares of domestic mutual funds held in Non-Discretionary Advisory Accounts.

PACE Select Retirement Account Credits. Plan or IRA Accounts

in PACE Select receive a credit of a portion of the advisory Program Fee. The credit varies among the PACE Select Portfolios and is based on the amount by which the Fund Advisory Fees paid to UBS Asset Management (the "Fund Advisory Fee") exceeds twenty basis points (0.20%) after payment by UBS AM of the fee to that Proprietary Fund's sub-advisor(s).

Portfolio Management Program and Advisor Allocation Program Retirement Account Credits Related to UBS Proprietary Funds. Plan and IRA Accounts invested in a UBS Proprietary Fund in our Discretionary Programs will receive a credit to the account of a portion of the Advisory Program Fee. The credit varies by Fund and corresponds to the portion of the net Fund Management Fees that UBS AM earns from a Proprietary Fund after payments to third-party service providers or sub-advisor(s).

The credits for Plan and IRA Accounts in PACE Select and in Discretionary Programs described above may change in the event that: (i) UBS AM waives some or all of the Fund Management Fee or UBS AM reimburses other expenses paid by a Proprietary Fund, these credits may be reduced or eliminated; and/or (ii) UBS AM receives any expense recoupment from a Proprietary Fund, these reduction factors may be increased.

Transferred Shares of Mutual Funds and Alternative Investments. You may have previously purchased mutual funds and alternative investments with upfront sales charges through UBS. If you decide to transfer and convert those shares to your Advisory Accounts, we will exclude those shares from the Program Fee for up to 12 months after you initially purchased them. See section *"Account Requirements and Types of Clients—Mutual Fund Share Classes Available in the Programs—Transferring Mutual Fund Shares and other assets into Your Advisory Accounts"* for more information.

If the credits remain in your Account at the time of billing, they will be subject to the Program Fee charged to your Account; they are also included in the account's average daily balance for purposes of calculating quarterly fee adjustments.

Billing on Cash and Cash Equivalents in Your Advisory Accounts; Cash Concentration. Cash and cash equivalents in your Advisory Accounts—including deposit balances in our UBS Deposit Sweeps and money market funds, including the UBS RMA Government Money Market Funds as well as the UBS Government Money Market Funds, and deposits in the UBS Bank USA Core Savings are subject to the Program Fees.

Advisory Programs are not appropriate for clients who want to maintain a high level of cash for extended periods of time. If you hold high levels of cash in your Advisory Accounts, then you do so against our recommendation and with the understanding that the value of those investments, securities, deposits or sweep balances will be included for the purposes of calculating the Program Fee, resulting in a higher fee to UBS, our Financial Advisors as well as additional compensation to our affiliates that sponsor or manage such products or use those assets for other business purposes including lending. **You may hold excess cash in a brokerage account without incurring the Program Fee.**

PACE, Strategic Advisor, PMP, IC, SWP and AAP have maximum cash concentration guidelines. Those guidelines are for the purpose of managing our conflicts and fiduciary obligations. They are not the Firm's recommended cash allocations for your Account(s) and differ significantly from the cash allocation percentages recommended by our CIO Research team and our Strategic Asset Allocations. Instead, the guidelines are meant to set a maximum cash threshold that, if not resolved within a specified period of time, will result in termination of your Accounts from PACE, Strategic Advisor, PMP, IC, SWP and AAP. For UBS-CAP only, US Treasury Bills are treated as cash. All other advisory programs treat US Treasury Bills as fixed income securities.

D. Trading and Execution Practices

This section is a general summary of our execution practices as they relate to Advisory accounts. You should note that in order to comply with principal trade restrictions, orders for most of our Advisory Programs are routed for agency execution. Where permissible by applicable law, and after complying with applicable regulatory requirements, we may route orders for our Advisory clients for execution as principal.

If your account is managed by a third-party investment manager, your manager is responsible for meeting its best execution obligations to you, and you should review carefully the manager's trading for your account. UBS does not analyze or evaluate whether your manager is meeting its best execution obligations on trades executed for your account.

All trading in your accounts is at your risk including risks of illiquidity and market volatility. In executing transactions for your accounts, we will not be liable for losses caused directly or indirectly by government restrictions, exchange controls, exchange or market rulings, suspension of trading, acts of war, strikes or other conditions beyond our control, including but not limited to, extreme market volatility or trading volumes. **Order delays can create system capacity challenges for UBS Financial Services Inc. and other market participants to which we route orders. As a result, clients may suffer market losses during periods of volatility in the price and volume of a particular security when systems problems result in the inability to place buy or sell orders. During volatile markets UBS Financial Services Inc. will process transactions unless market conditions, technology failures, trading volumes or other matters beyond our control preclude us from accurately processing transactions on the order entry date. In those circumstances, we will process the transactions as soon as practicable.**

Execution Practices for transactions in your Advisory Account(s)

For the majority of our advisory orders for Advisory Accounts, we use automated systems to route and execute orders for the purchase and sale of securities for all Advisory Accounts. Generally, an order is routed to an execution center that we believe will provide the best execution. Certain large orders that may require special handling may be routed to a market center for execution via the telephone or in the case of large ETF orders, an Authorized Participant for that ETF. We regularly monitor existing and potential execution venues and may route orders in exchange listed or OTC securities to other venues if we believe that such routing is consistent with best execution principles.

In order to fulfill our best execution obligation and help reasonably determine the best market for a security (for non-step out flow) we consider several factors, including, but not limited to (1) the speed and certainty of execution, (2) the price and size improvement, and (3) the overall execution quality.

Exchange-listed securities, NASDAQ and OTC Securities
We route the vast majority of our exchange-listed securities and over- the- counter (OTC) orders to our affiliate, UBS Securities

LLC, for execution either principal or as agent, depending on the circumstances and type of program involved. The Advisory Programs described in this Brochure do not permit principal trades except in limited circumstances. For orders requiring agency execution, UBS Securities LLC routes the orders to unaffiliated execution centers for execution. In some instances, however, for certain securities, we place OTC orders directly with unaffiliated market makers for execution. All routing decisions are in accordance with the principles of best execution. When principal execution is permitted, the orders will be executed by UBS Securities LLC as principal when there is an opportunity for execution at a price equal to or superior to the price quoted on the primary exchange. If that is not the case, the order will be routed immediately to a different execution center for execution. UBS Securities LLC may have a profit or loss when executing orders as principal.

If we (or another investment manager managing the portfolio) execute securities transactions through other broker-dealers, we may choose brokers who provide us with research services if the commissions charged by these broker-dealers are reasonable in relation to the value of the brokerage and/or research services. We do not try to place specific dollar value on the research or brokerage services of any broker-dealer or to allocate the relative costs or benefits of research, because we believe that the research we receive is beneficial in fulfilling our overall responsibilities to clients. Accordingly, research received for a particular client's brokerage commissions may not be used for that client's account or may be useful not only for that client but for other clients' accounts as well. Similarly, some clients may benefit from the research received for the commissions of other clients.

Best execution; Step Out Trades Third party investment managers in meeting their best execution obligations may determine that this can only be achieved by executing order flow for the UBS Advisory Accounts they manage away from UBS trading platform and then having the executing broker "Step Out" the transactions to UBS for clearance & settlement purposes.

SMA Managers typically place transactions through UBS on an unsolicited basis, as your SMA Manager deems appropriate. This means that neither UBS nor our Financial Advisors provide advice or recommendations to the SMA Managers regarding the securities transactions they execute for your Advisory Accounts.

In ACCESS, SWP and our Discretionary Programs, we provide all managers in the programs with trading systems to administer, maintain, reconcile and place orders with UBS for accounts managed in those Programs.

In MAC and IC, SMA Managers have access to and utilize a trading system we make available or elect to establish electronic connectivity with their own trading system in order to administer, maintain, reconcile and place orders with UBS for accounts managed in the Program. Some MAC and IC managers trade through our branch offices and place orders directly with the Financial Advisor for your MAC or IC Account.

Regardless of the Program or trading system used for investing, your SMA Manager has the option to trade through us or with other financial institutions, in accordance with the manager's obligation to achieve best execution on all trades for your account. Although use of our trading systems is not required for a manager to participate in our programs, doing so streamlines trading and may encourage an SMA Manager to place trades for program accounts with UBS instead of with other financial institutions. However, since your Program Fee covers the costs of trades executed with UBS but not any additional costs of trades executed elsewhere, trading away from UBS may result in increased trading costs to you. "Step out" trades refers to trades executed by your SMA Manager away from UBS and on which we are not the executing broker. These transactions are generally traded from broker to broker and are usually cleared net, without any commissions. However, under certain circumstances, if your SMA Manager trades with another firm, you may be assessed commissions or other trading related costs (for example, mark-ups) by the other broker-dealer, which are embedded into the price of the security allocated to your account. Those fees are in addition to your Program Fee. For this reason, your SMA Manager may find that placing trades with UBS is often the most favorable trading option for you. However, your manager may direct transactions to other broker-dealers (for additional fees or sometimes, commissions) if your manager decides that its best execution obligations so require. Some managers have historically directed 100% of their trades to outside broker-dealers.

We request information from SMA Managers regarding step-out details at least annually, but typically in the first quarter of each year. We rely on the information provided by our SMA Managers in preparing an annual client disclosure notice regarding step-outs.

Your SMA Manager is responsible for meeting its best execution obligations to you, and to ensure that any additional commissions or mark-ups assessed to you when they decide to step-out trades to other broker- dealers are consistent with their best execution obligations. If your SMA Manager will not be executing transactions with UBS, our SMA programs may not be an appropriate option if your SMA Manager does not take action to ensure that you do not incur additional costs.

UBS does not analyze or evaluate whether your SMA Manager is meeting its best execution obligations on trades executed for your account. See the description of our execution and order routing practices above.

Trade Allocation Practices in Discretionary Programs

Financial Advisors in the PMP, AAP and IC Programs are not required to aggregate orders across the different strategies or accounts they manage. However, in an effort to reduce market impact and to obtain best execution, Financial Advisors in PMP may purchase or sell securities in bulk (or orders may be "batched") on the same day for some or all of the Program accounts in the same strategy they manage.

Financial Advisors in AAP may process account changes and reallocations for multiple accounts with the same Target Allocation and investments at the same time. Orders for ETFs in AAP are executed in four intervals per day. Orders for the same ETFs processed at the same time will be aggregated and clients will receive, or be charged, an average price per unit and, when applicable, a pro-rata share of any fees.

Financial Advisors will not trade Accounts in the PMP Program with Accounts in the AAP Program and orders for the same ETFs across the Programs will not be aggregated.

Financial Advisors in PMP and AAP are permitted to trade in the same securities they purchase for client accounts as long as they trade their personal and related accounts in the same batch as client accounts. Therefore, when executing orders in PMP, we may batch orders for your Account with orders entered for other Accounts in the same PMP strategy, including those of the Financial Advisor assigned to your Account, and the Financial

Advisor's related accounts. Similarly, when executing orders in AAP, we may batch orders for multiple AAP accounts, including those of the Financial Advisor assigned to your Account and the Financial Advisor's related accounts.

Allocation of Securities and Opportunities Across Advisory Accounts. Portfolio Managers and Financial Advisors in our Discretionary Programs and SMA Managers have broad discretion to trade their Advisory Accounts. There can be no assurance that they can purchase or sell the same securities for all such Accounts at the same time, or that they will aggregate your orders with those of other clients and charge an average price per share or unit and, when applicable, a pro-rata share of any fees. As a result, you may receive different prices and executions for the same securities as compared to other clients investing in the same strategy, or, in the case of AAP, the same Target Allocation. In addition, although we monitor performance and other characteristics of Accounts, investment opportunities will not necessarily be allocated among participating Accounts proportional to their overall amount invested.

Aggregation of trades for Advisory clients

We may aggregate transactions for Advisory clients for execution under appropriate circumstances. This practice will not ordinarily affect or otherwise reduce fees, commissions or other costs charged to clients for these transactions but may provide price improvement. Partial fill of a block security transaction may be allocated among Advisory clients' accounts randomly, pro rata, or by some other equitable procedure adopted by the investment manager. In certain cases, investment managers may use a computer system that allocates purchases and sales transactions either on a random or pro rata basis. In any case, clients may pay higher or lower prices for securities than may otherwise have been obtained.

Account rebalancing and reallocations

Market conditions, technology failures, illiquid securities, securities with limited redemption schedules, trading volumes, the availability of funds and orderly purchase and redemption procedures, and client imposed investment restrictions may cause a delay in the processing and/or completion of the rebalancing or reallocation. In addition, we may adjust the date on which reviews and rebalancing are done, if necessary, to ensure accurate processing of the review or rebalancing. We may also adjust the rebalancing date if UBS is in the process of reviewing its proprietary capital market assumptions to avoid duplicative rebalancing of accounts and ensure accurate and orderly processing.

Payment for order flow

At this time, we do not direct the order flow from our Advisory Programs to specific destinations in exchange for payment for that order flow. Payment for order flow is defined to include any monetary payment, service, property or benefit that result from remuneration, compensation or consideration to a broker-dealer from another broker-dealer in return for routing customer orders to that broker-dealer. We may route orders to electronic communication networks (ECNs) or similar enterprises in which we may have a minority ownership interest. If we direct orders for our Advisory Program accounts to such a trading network, we may receive indirect compensation from the ECN with respect to these trades due to our ownership interest. These arrangements will not cause you to pay additional fees directly to us. We believe that, in the course of executing trades for our clients, we may be able to obtain best execution through other exchanges or trading networks. We may direct order flow for these programs to trading networks in which we have an interest in the future if we determine that it is in the interest of our clients and consistent with our obligations under applicable laws.

Transaction Reviews and Impact on Timing of Execution for SWP and Advisor Allocation Program: All account changes, including transactions in SWP's Non-Discretionary assets and AAP are subject to a systematic administrative review to ensure consistency with your Target Allocation in SWP and AAP. We will also ensure that any required paperwork is complete. As a result, transactions are not executed until after the administrative review is completed and allocation changes may take several days to fully implement. Because prices fluctuate during the trading day, the prices you receive at the time the orders are executed may be better or worse than the prices at the time you authorized the changes to your Advisory Accounts.

Due to limitations in the trading system used to execute orders in ETF shares in AAP, the purchase and sale orders in ETF shares placed by Financial Advisors on behalf of unrestricted, discretionary accounts enrolled in AAP will be executed on an aggregated basis during intervals each trading day, generally expected to be approximately four times each trading day. Although this interval trade execution process may mean that an individual client may not receive the very best execution of each and every trade in ETF shares, this process is designed to ensure that clients are treated equitably and fairly under the circumstances over time. As a result, you may receive different prices and executions for the same ETFs as compared to other clients following the same Target Allocation.

E. Closing your Advisory Accounts; Terminating your Agreement

The Advisory Relationship Agreement is effective and deemed to be accepted by UBS on the date your Account is coded as "advisory" or for UBS-CAP and IC, the date the Agreement is approved by the program manager for that Program. We will send you confirmation of our acceptance and provide you with a copy of our Form ADV Disclosure Brochure. You may cancel that Agreement within five (5) business days from the day it is accepted by UBS and receive a full refund of Program Fees. Thereafter, either we or you may terminate the Advisory Relationship Agreement at any time. Each time you establish a new Advisory account with us, you may terminate that account and receive a full refund of Program Fees within five (5) business days from the day we send you confirmation of your instruction. Closing one or more of your Advisory Accounts does not terminate the Advisory Relationship Agreement if you continue to have other types of Advisory Accounts with us. You may terminate the Agreement only by notifying us in writing. In addition, the Agreement will terminate if we receive instructions to deliver all your Advisory assets to another firm, effective promptly after receipt of those instructions.

For MAC and IC clients, termination of the Agreement with UBS does not result in the termination of your agreement with your MAC or IC investment manager. For MAC Accounts enrolled in UBS-CAP with Limited FA Discretion Services we will notify your MAC Manager of the account and investment management agreement termination. **However, for any other MAC Account that is not part of Limited FA Discretion Services UBS-CAP, you are responsible for terminating your agreement with the MAC investment manager** and we do not assume responsibility for notifying the investment manager.

We will notify you in writing of our decision to close any or all of your accounts. We may close your accounts in our discretion, including if you fail to adhere to program requirements.

Ending your participation in these programs as well as our Advisory relationship is effective promptly after receipt and processing of your request. Requests to terminate your participation in a program (i.e., closing an account) may be made in writing or verbally to your Financial Advisor. We will confirm your instructions in writing and notify you when we have terminated you from the program and/or closed your account.

Termination of the Limited Power of Attorney in the IC Program will terminate your IC relationship. However, if you are also enrolled in the ACCESS, MAC, SWP, AAP, or Strategic Advisor programs at UBS, termination of your IC relationship will not automatically terminate your ACCESS, MAC, SWP, AAP, or Strategic Advisor relationships.

Upon termination, you are responsible for the assets in your account, and neither we nor your SMA Manager will have further obligations to act or advise with respect to these assets.

Automatic Liquidation or Exchange of Certain Assets at Account Termination
In certain cases, your assets may be invested in securities, special mutual funds or shares of mutual funds or alternative investments, including in some instances, Advisory share classes of mutual funds or alternative investments that have been created for use or are eligible exclusively within wrap fee Advisory Programs. Some of these investments contain restrictions that limit their use exclusively in wrap fee Advisory Programs, and may be unavailable for purchase or holding outside of wrap fee programs. When you end your participation in those strategies, for any reason, that termination results in the **automatic redemption** of such mutual fund shares or investments held by or on your behalf—which, except in instances of tax-free exchanges of Advisory share classes for another share class, will have tax consequences for you. **Unless the issuer requires automatic redemption of these investments, you can continue to hold them in your brokerage account.**
When you select one of these types of strategies or investments for your portfolio, you agree to the automatic sale of the investments upon termination of your account and you direct us to execute these sales. The compulsory conversion of alternative investments may require additional documentation from you. We recommend that you consider the potential impact of such sales and restrictions carefully before participating in these types of strategies.

PACE Program: Unless you direct us to sell your other holdings, all other assets will continue to be invested in the existing positions and will be held in a brokerage account, subject to prospectus rules.

Transactions in your Accounts Prior to Receipt of your Termination Request: We are not responsible to you for the purchase or sale of a security by your SMA Manager or your UBS Portfolio Manager/Financial Advisor prior to our receipt of your request to close your Advisory account. Any transactions initiated by your SMA Manager and/or your UBS Portfolio Manager/Financial Advisor on the day your account is closed will be processed, if practicable.

Liquidation Requests: As part of your instructions to withdraw from a Program, you may request us to liquidate your securities. If you select or discontinue use of an SMA strategy without consulting us, you are solely responsible for that decision. We do not restrict your access to the SMA strategy during the selection process or thereafter.

We will liquidate the securities held in your Program account if you specifically instruct us to do so when you tell us to close your account. Liquidation of your account will depend upon market conditions at the time and, absent unusual circumstances, generally will be processed by the end of the next business day after instructions have been received by us. However, certain managers may take longer to liquidate securities for terminated accounts, including high yield securities, convertible securities and other less liquid securities.

If we are unable to obtain an agency bid on small bond or illiquid fixed-income positions, after a number of attempts, we will seek to sell the position on a principal basis if a bid is available. This will allow us to comply with your liquidation request in an expeditious manner.

Security sales will be executed free of commission charges. Trade confirmations for liquidating transactions executed on an agency basis (i.e., by a third-party on behalf of UBS) will be sent to you monthly or "bulked" if you selected that option for your account.

If your Account includes securities with limited liquidity or redemption schedules, such as alternative investments, we may be unable to sell those securities upon your request. When processing your liquidation request in such cases, we will sell readily marketable and otherwise unrestricted securities in your account, leaving any securities that we are not able to sell in your account. Once the account is closed, you may have to wait for specific liquidity windows and process your liquidation request through procedures that are specific to the illiquid investment you own. **In addition, an alternative investment fund may hold back a portion of redemption proceeds, usually in the range of 10%, to cover accrued expenses, contingencies and liabilities.**

Brokerage Relationship: You should note that terminating your account from an Advisory Program will end our investment Advisory relationship with you as it pertains to that account and will cause your account to be converted to and designated as a brokerage account only. Your Investment Advisory Relationship Agreement will no longer apply to that account and it will be governed solely by the terms and conditions of your brokerage account agreement.

Closing your account will not affect your obligation to pay balances due on the account.

Estate Administration Instructions: Upon our receipt of notice of your death, we will cease management of the Account without liquidating the investments (except for assets that can be held only in wrap fee advisory programs as explained in the section titled *Automatic Liquidation of Certain Assets at Account Termination)*. Your account will no longer be enrolled in the Program while instructions from a court appointed executor/ administrator regarding the disposition of your assets is pending. However, for trust accounts, the death, removal or resignation of a trustee—including the settlor/trustee of a revocable living trust—will not result in termination unless the substitute fiduciary/trustee requests termination. For the MAC program, we do not assume responsibility for notifying the MAC SMA Manager of the client's death and we do not require the SMA Manager to follow any particular procedures.

Program Fees for Closed Accounts:
Upon termination, a pro-rated refund of any prepaid fees will be

made or, if no fees have been paid, a pro-rated fee will be charged. If you terminate your account prior to the calculation of a quarterly fee, a pro-rated fee based on the average daily balance for the days the account was enrolled in the program will be charged. If you terminate the account after the quarterly fee has been charged, a pro-rated fee adjustment based on the average daily balance for the period the account was enrolled in the program will be assessed. If you provide liquidation instructions when you terminate your Account, the refund will be processed once liquidations are complete which is generally, depending on market conditions, two to three business days after receipt of your request.

Margin. For accounts with strategies that use margin, we may, at our discretion, choose to cover all existing short positions when you close your account. Those liquidations will be executed in our capacity as broker-dealer and creditor and may, as permitted by law, result in executions on a principal basis in your Account.

Item 6. Portfolio Management Selection and Evaluation

A. Alternative Investments Due Diligence, Review and Approval and Allocation of Investment Opportunities

Unified Global Alternatives (UGA) is a new business unit established in January 2025 through a collaboration between the Global Wealth Management and Asset Management divisions of UBS.

UGA combines the Global Alternatives Investment Solutions teams within Global Wealth Management with Asset Management's Hedge Fund Solutions, Real Estate and Private Markets Multi-Manager businesses along with their respective sales and distribution support teams. UGA is designed to serve the needs of clients from both divisions.

UBS Financial Services Inc. the sponsor of the advisory programs described in this Brochure is part of the Global Wealth Management (GWM) Division.

Prior to the creation of UGA, GWM (including UBS-FS) managed an open architecture platform of alternative investments, while the AM areas which are part of UGA, structured and managed proprietary alternative investments that could be offered to brokerage and advisory clients on the UBS-FS Platform. AM funds underwent investment and operational due diligence on an arm's-length basis and the respective business units operated separately without common revenue targets. Not approving an AM fund for the UBS-FS platform had no impact on the overall goals or compensation of the GWM team.

The creation of UGA gives rise to new conflicts of interest as it brings together the formerly independent teams with a common goal to grow the alternative investment franchise, increase revenues and gain better value for clients. GWM has delegated initial and ongoing due diligence responsibilities, negotiation of placement agreements and onboarding of alternatives investments for the GWM platforms to UGA.

To address the conflicts of interest, UGA has adopted policies, procedures that require (1) the consistent and objective application of due diligence requirements for all funds approved for the GWM platforms; (2) revenue targets for the business teams to be product type neutral so as to not favor proprietary products vs. non-proprietary products; and (3) the allocation of capacity and investment opportunities among GWM and AM clients to be subject to a fair and reasonable process that complies with fiduciary obligations. Notwithstanding the foregoing, in instances in which the fund capacity allocated to UBS is limited (for example, private markets), fiduciary portfolios will be given priority access versus non-fiduciary accounts**.**

B. Selecting an SMA Manager; Our Investment Manager Evaluation Process

Manager Research Process

We select investment managers and strategies to participate in UBS programs in order to offer our clients the choice among a range of investment styles and products, such as:

Value
Growth
Growth and income
Income
Contrarian
Tactical asset allocation
Strategic asset allocation (through multi-style accounts)
Municipals
Global
International
Convertible bonds
Long/short investing
Real estate investment trusts (REITs)
Preferred Securities
MLPs

Our Investment Manager Analysis Group conducts a thorough review of each SMA Manager that participates in our ACCESS, SWP, AAP, IC and MAC Researched programs. The Investment Manager Analysis Group may first identify a pool of potential candidates by using public and proprietary databases and industry contacts of the Investment Manager Analysis Group or others at UBS (including Financial Advisors). We also consider those investment managers who approach the Investment Manager Analysis Group directly on an unsolicited basis. General screens such as assets under management, portfolio manager longevity, investment style, and risk- adjusted performance are often used to narrow the initial pool of candidates.

As of the date of this brochure, our selection procedures include an examination of performance, performance drivers, investment philosophy and process, and may include interviews with portfolio managers, principals and key staff members, a review of trading practices and portfolio performance, and other criteria. We may also use third parties to help gather and analyze information used in the review process. We review SMA Managers on a periodic basis to confirm and validate our earlier conclusions. That process may include contact with the portfolio managers and key staff members as well as ongoing performance monitoring.

Some SMA Managers in turn, delegate their management responsibilities to affiliated and non-affiliated sub-advisors. All SMA strategies and associated strategies in our programs and their sub-advisors, with the exception of those managers categorized as Managed Accounts Consulting (MAC) Eligible, are subject to the initial and ongoing due diligence process.

Our review process leverages resources of third party research firms and data providers to gather and analyze information regarding the SMA Managers and strategies. The final review and decision to include the Manager/Strategy in the UBS researched programs continues to be conducted by the UBS Investment Manager Analysis Group.

IMA Review of CIO Research Based Investment Strategies. We may work with an established investment manager, either third-party or affiliated within UBS, to construct an investment strategy to fulfil a specific investment objective. The strategy may be developed for purposes of fulfilling a platform need or other demand, such as the implementation of a UBS Chief Investment Office (CIO) research theme. The research conducted for UBS CIO based strategies will take into consideration the CIO influence within the strategy. To the extent a strategy is specifically based on UBS CIO content, a CIO model, or UBS Strategic Asset Allocation Models (SAAs) we will not conduct research on the CIO content or the Asset Allocation process, as that research is conducted and provided by UBS CIO or the UBS Wealth Management USA Asset Allocation Committee, respectively. For example, to the extent the strategy is based on SAAs or other sector allocation guidance, the research would include focus on the manager's security selection expertise. To the extent that CIO provides guidance regarding specific security selection in the strategy and the manager's goal is to implement the CIO strategy primarily as published by CIO, the research may be focused towards other aspects, such as the manager's execution and implementation expertise, rather than security selection.

IMA Review of Models and Model Managers. We may work with an established manager, either third-party or affiliated within UBS, to construct an investment model (Model Manager) to fulfill a specific investment objective. In these instances, we also will work with an Overlay Manager to develop a separately managed account (SMA) strategy based on an investment model maintained by the Model Manager. It is expected that the Overlay Manager will generally follow the model, however, the Overlay Manager will have ultimate discretion regarding selection and timing of SMA strategy trades.

Research will be conducted on the Model Manager investment strategy as well as the Overlay Manager identified to construct the SMA strategy for our programs. The Model Manager will often utilize only their proprietary products, such as mutual funds or exchange trades funds, when selecting investments for the model. The Model Manager receives compensation for investments in their proprietary products and therefore has an incentive to include them in their model(s). By doing so, the Model Manager oftentimes is not considering alternative products from other firms that may have features including cost and fee structures that may be preferable as compared to the Model Manager's proprietary products.

The Model Manager may also have trading or other policies that favor the Model Manager's proprietary products and strategies they manage on a discretionary basis over the SMA strategy on the UBS platform. The respective Form ADV disclosure brochures for the Overlay Manager and the Model Manager will provide additional important information regarding these arrangements.

IMA Review of Affiliated Overlay Manager
The Strategist Models are currently managed by a third-party Overlay Manager. In the first calendar quarter of 2026, we anticipate changing the Overlay Manager for Strategist Models to our affiliate UBS Asset Management.

UBS Financial Services Inc. and UBS Asset Management both are wholly owned subsidiaries of UBS Group AG. This change is the result of a strategic initiative between UBS Financial Services and UBS Asset Management which is expected to be economically beneficial to both entities and entails a multi-phase conversion to a Model Delivery structure for many SMA strategies.

UBS Asset Management has extensive experience in discretionary asset management. Acting as an Overlay Manager within a Model Delivery structure, however, represents a new and developing business line for UBS-AM. UBS AM's business plans, resources, trading practices and organizational framework have been thoroughly reviewed to confirm their ability to provide the expected services in a manner consistent with clients' best interest. However, it is important to note that this is a new business activity for UBS AM and it does not yet have the same depth of experience in overlay management as other entities with more established practices, including the current third-party Overlay Manager.

By selecting UBS Asset Management as Overlay Manager we have a conflict because the fee paid to our affiliate as Overlay Manager is less than that paid to the third-party Overlay Manager resulting in a cost savings to UBS Financial Services and a revenue increase to our affiliate UBS Asset Management. The Overlay Fee paid to UBS Asset Management is subject to breakpoints and decreases as assets under management increase.

In addition, as part of the strategic initiative between the entities, UBS Financial Services will pay UBS AM a reduced fee for SMA Advantage strategies as compared to the fees it pays third party SMA managers resulting in additional cost savings to UBS-FS.

MAC Eligible Investment Strategies

We provide different levels of SMA Manager due diligence and reviews in our MAC program. The level of due diligence and review we undertake varies depending on whether the Manager's strategy is considered MAC Researched or MAC Eligible.

Unlike the MAC Researched universe of SMA Managers strategies that are subject to the review process outlined above, MAC Eligible strategies are used as an accommodation for either newly recruited Financial Advisors whose clients use managers not on our researched list; or clients who wish to join the MAC program and may want to retain a previously hired manager's strategy not on the investment researched list (unsolicited strategies). The Investment Manager Analysis Group's review of MAC Eligible strategies is very limited in scope and does not provide enough information for us to express an opinion regarding the investment capabilities of those strategies. The limited review is performed once and provides a broad overview of the manager's organizational structure and history, together with information about their assets under management, net worth and regulatory record, and is not updated. **UBS does not make initial or ongoing recommendations on MAC Eligible strategies to existing and/or prospective clients.**

Selecting an SMA Manager

With the exception of MAC Eligible strategies (see above), our SMA Programs, AAP and Unified Managed Accounts Program offer you the portfolio management services of a select, pre-screened group of SMA strategies, Model Managers and Overlay Manager. Our role is to identify managers that have been examined and deemed suitable for your investment needs.

Your Financial Advisor will review the results of the Risk Profile Questionnaire with you (in the MAC program, your Financial Advisor will review with you the information provided in your account application)—after which, in ACCESS, MAC, IC and SWP, you will select your SMA strategies for your accounts from a group of SMA strategies and model portfolios approved for the SMA, AAP and/or Unified Managed Accounts Program by us. During your selection process, you have the option of

choosing managers who may or may not be affiliated with us. In AAP, or if you have selected the POA for Limited FA Discretion Services option in UBS-CAP or an LPOA in IC, your Financial Advisor is authorized to undertake these actions on your behalf.

While we offer a number of different investment strategies for your wealth management needs, we do not offer every investment manager or strategy available in the marketplace. Instead, we provide you with access to those managers who have been approved by our firm and, in our professional judgment, are appropriate to help you pursue your financial goals. We cannot guarantee, however, that the managers presented will be the best available managers either in the industry or the best available managers among the managers included in our firm-sponsored programs.

If we decide, in our sole discretion, that circumstances make a change necessary or appropriate, you authorize UBS to delegate management discretion of your account to a Model Manager or Overlay Manager and/or to remove or replace your SMA Manager, for all or a part of your ACCESS or SWP Account, and to hold the existing assets in your Account until we receive instructions from you. We will notify you in advance of any change in your SMA manager, Model Manager or Overlay Manager unless the change is in your AAP account or you have granted discretion to us to hire, fire and change such strategies under the terms of UBS-CAP or IC. Your continued acceptance of services under the Account Agreement will constitute your approval and agreement of any replacement SMA Manager, Overlay Manager or Model Manager.

Diversification. Unless the asset allocation or investment strategy you selected is identified as a fully diversified strategy (for example, diversified across all asset classes), your investment in a particular strategy should only be viewed as a portion of your overall portfolio. It should not, however, be considered as a diversified asset allocation plan either overall or within a single asset class/style.

SMA Manager Searches. To help you select an SMA Manager, at your request, we may provide information from third party or proprietary databases regarding different strategies. We do not verify or guarantee this information, including past performance information, which may not be calculated on a uniform or consistent basis. Our inclusion of an SMA strategy in the database or in a manager strategy search report is not an endorsement or recommendation of that SMA strategy by us.

SMA Manager Terminations from our Researched List and Program Offerings: We retain the authority to remove any SMA Manager, Model Manager or Overlay Manager or strategy from our programs and from the researched list at any time. Circumstances under which we may terminate or discontinue a manager or strategy include (but are not limited to) persistent underperformance, significant departure from the Manager's stated investment discipline, or material changes in the Manager's organization.

If you participate in our ACCESS, MAC, AAP and Strategic Wealth Portfolio programs, we will notify you in advance if your SMA strategy or Model strategy is terminated from the program and/or from our researched list. In AAP, your Financial Advisor is authorized to hire, change and remove SMA strategies on your behalf. If you have selected the POA for Limited FA Discretion Services option in UBS-CAP or an LPOA in IC, your Financial Advisor is authorized to hire, change and remove strategies in the ACCESS and MAC Programs on your behalf.

SMA Managers, Model Managers and Overlay Managers in our Advisory programs are asked to contribute to our overall training and education costs for Financial Advisors in our managed accounts programs. Neither contribution towards these educational expenses, nor lack thereof, is considered as a factor in analyzing or determining whether a Manager should be included or should remain in our Advisory programs.

See "Participation or Interest in Client Transactions— Additional Sources of Compensation from SMA Managers or Vendors whose products we may recommend to Our Advisory Clients— Contributions to Training and Education Expenses."

Standards Used to Calculate Portfolio Manager Performance.

Performance Composites. We may make available profiles of selected investment strategies that include past performance information. Profiles are not available for every Portfolio Manager, SMA Manager or strategy available in the Programs.

We believe that composite performance information is meaningful. Composites that we provide may be prepared by us, or, in the case of SMA Managers, by the managers.

For the PMP Program, we calculate a strategy's composite performance based on standards drawn from industry sources— taking the following into account:

A return calculated using an asset weighted methodology in PMP

Cash flows into and out of the accounts

Monthly valuations

Income accrued on individual fixed-income securities

For strategies that are billed based on the mandate amount, the returns are calculated based on the net yield generated in relation to the mandate amount and not the actual account value.

The performance reflected in the composite information includes all accounts managed in the relevant style at least one full calendar month for the PMP Program. We eliminate accounts that impose restrictions. For this reason, and because past performance is not indicative of future results, you should not consider the performance shown in the composite as representative of the historical performance of the manager or the performance you should expect in the future for either a restricted or unrestricted account. Accounts may be excluded from the composite if there appears to be a discrepancy in the report or if they contain material client directed constraints.

For SMA Managers, we use the managers' performance information in strategy profile(s) and in investment proposals for the ACCESS, AAP and SWP programs. Strategy profiles for the MAC Researched universe of managers are available upon request. We do not provide strategy profiles for strategies that are available solely in the IC Program. Details regarding the performance composites and the sources of performance information are included in the profiles we make available.

While we believe that information provided by managers is accurate, we do not independently verify or guarantee it. While a manager's investment process for a strategy is consistently applied across all UBS Programs where the strategy is offered, performance results achieved in each UBS Program will differ among programs, and from the performance shown. In addition, we cannot assure you that any performance information provided has been calculated on a uniform or consistent basis. As such, the performance shown should not be considered actual UBS Program account performance and

should not be relied upon in making a decision to select a strategy or continue to have an account managed in a strategy.

As with other investments, past performance does not guarantee or indicate future results.

Performance Reviews of SMA Managers, Portfolio Managers and Financial Advisors in our Advisory Programs

We provide annual performance reviews for Accounts in our Programs whose assets are held at our firm (we provide quarterly performance reviews for accounts enrolled in IC, MAC-Eligible strategies and Options Overlay Strategies). The performance reviews display the performance of your Account, Portfolio Manager and/or SMA Manager compared to certain indices. These benchmarks are shown for informational purposes only.

The comparisons relate to the historical performance of market indexes (e.g., S&P 500, Russell 1000 Value, etc.) and not the performance of actual investments. Our selection and use of benchmarks for comparison purposes is not a promise or guarantee that your Account will meet or exceed the stated benchmark. UBS identifies benchmark references from among indexes for which the firm has licensing rights and does not consider the entire universe of potential indexes. The benchmarks we use can differ from those listed in the prospectuses and other offering or marketing materials used by the funds/managers.

Please note that the investment strategy in your Account(s) is not restricted to the securities in the benchmark. Also, indexes are not available for direct investment and represent an unmanaged universe of securities that does not take into account advisory or transaction fees, all of which will reduce overall return.

Benchmark Selection for Performance Evaluation
SMA Programs: We assign index benchmarks to those SMA Managers that we have researched, based on our understanding of their strategy, their investment style and our research. Those benchmarks are used for researched SMA Managers in ACCESS, AAP, MAC, IC and SWP. MAC Eligible strategies are assigned broad equity, fixed income, or a blend of both broad equity and fixed income market indexes (e.g., S&P 500, Russell 1000 Value, etc.) that are readily recognized, but cannot be used for direct performance comparisons against your Accounts and the SMA Manager's investment strategy.

The performance comparisons for SMA Managers may differ from those presented by your SMA Managers in their materials.

In the IC Program, your performance report may reflect an additional benchmark, as selected by you in consultation with your Financial Advisor.

Discretionary Programs: We also assign comparative benchmarks to the strategies managed by Portfolio Managers in PMP. In AAP, performance reviews will illustrate a benchmark that is reflective of the account's Target Allocation.

Non-Discretionary Programs: Due to the non-discretionary nature of the Strategic Advisor program, performance reviews will also illustrate the historical performance of certain broad equity and fixed-income market indexes (e.g., S&P 500, Russell 1000 Value, etc.).

Depending upon the composition of your portfolio and your investment objectives, the broad market indexes used with MAC Eligible strategies and in Strategic Advisor may not be an appropriate measure for comparison purposes, and as such, are represented for illustration only. Your portfolio holdings and performance may vary significantly from the index.

In the PACE and SWP programs, performance reviews will illustrate a benchmark that is reflective of your Target Allocation.

SMA Managers in our SMA, Unified Managed Account and AAP Programs: The performance of SMA strategies is part of the ongoing due diligence performed by the Investment Manager Analysis Group. Performance for the SMA strategies is calculated as described above. We do not review or evaluate performance for MAC Eligible strategies.
The standards applied to the performance review of third party managers varies significantly from the review of performance applicable to Financial Advisors in the Portfolio Management Program. Those differences can result in situations in which an SMA Manager is placed on hold or terminated from participating in our Programs, while Financial Advisors in the PMP Program remain available for investment. The different standards of review create a conflict of interest in our recommendation of the strategies managed by our Financial Advisors.

Portfolio Managers in the PMP Programs: On a quarterly basis, local branch management reviews PMP account performance and risk as compared to its assigned benchmark.

Financial Advisors in the AAP Program: We do not calculate, review or publish the performance of individual Financial Advisors in AAP. We calculate the performance of your Account in the AAP Program and provide those reviews to you on an annual basis.

Financial Advisors in our Non-Discretionary Programs and SWP: Given the non-discretionary nature of the PACE, Strategic Advisor and SWP programs, we do not calculate, review or publish the performance of individual Financial Advisors in those Programs. We calculate the performance of your Accounts in those Programs and provide those reviews to you on an annual basis.

C. UBS or UBS Affiliates and Employees Acting as Portfolio Managers.

UBS Affiliated Managers and UBS Financial Services Inc. investment portfolios and research exceptions for proprietary strategies.

We offer the services of UBS affiliated managers. We also offer the services of Financial Advisors as portfolio managers in PMP and AAP.

While we seek to apply the same review criteria to all researched managers available in our SMA and Unified Managed Accounts Programs, certain UBS affiliated strategies and UBS discretionary investment portfolios, may not have been screened or approved as researched strategies at the time they were initially included in the SMA Programs.

For example, for our discretionary investment portfolios, while the Firm itself would satisfy the general research screens, an investment portfolio on its own, may fail to meet several research screens, including: total assets under management, length of a performance track record with client assets, and a requirement of having a minimum number of accounts that are normally imposed on third- party managers. In these cases, however, we may either research these managers subsequent to

being included in our SMA Program or we may monitor them periodically to ensure that they meet specific criteria.
The manager research process described above does not apply to our Financial Advisors participating in our Advisory Programs, including AAP and the PMP Program Portfolio Managers or the Portfolio Managers to the House View Portfolios.

To the extent PMP Portfolio Managers will promote a PMP strategy as sustainable (see "Important information about sustainable investments" section below), the Investment Manager Analysis (IMA) group conducts a limited review of the strategy solely to determine whether it meets our standards and criteria for sustainable investments.

Education and Business Standards for Financial Advisors Participating in Our Advisory Programs.
Our Financial Advisors can participate in our Advisory Programs in a variety of ways:

They can assist clients in the selection of SMA strategies in ACCESS, MAC, SWP, and IC non-discretionary Programs or select strategies on clients' behalf in AAP and the discretionary version of IC.

They can manage assets on a discretionary basis in the PMP, AAP and IC Programs.

They can assist clients with the development of asset allocations offered in the Advisory Programs, or create an asset allocation on clients' behalf in AAP.

They can recommend specific securities on a non-discretionary basis in PACE, Strategic Advisor and the Non-Discretionary Assets in SWP.

Generally, we require our personnel who provide investment Advisory services to clients to have a college degree or securities industry experience.

Most of our Financial Advisors are registered as broker-dealer and investment adviser representatives. With the exception of the PMP, AAP and IC Programs, we do not impose special requirements such as education or qualification requirements (other than the required registrations) for Financial Advisors who participate in our Programs. Some Programs require that Financial Advisors fulfill certain internal training requirements in order to undertake certain activities. In addition, all FAs are required to complete a mandatory web-based training course on UBS Advisory Solutions in order to familiarize them with the firm's advisory offerings, as well as some of the key risks associated with the business.

We will provide to you a Brochure Supplement which includes information regarding your Financial Advisor's education, business experience, disciplinary history, outside business activities, their compensation and supervision. You may also obtain information about your Financial Advisor, their licenses, educational background, employment history, and if they have had any problems with regulators or received serious complaints from investors through the FINRA BrokerCheck service available from FINRA at *http://www.finra.org* or from the Securities and Exchange Commission at *www.adviserinfo.sec.gov.*

You can also contact your state securities regulator through the North American Securities Administrators Association's website at *http://www.nasaa.org* and request information about our firm and your Financial Advisor.

You may receive Brochure Supplements and other disclosure documents for your SMA Managers and their investment management personnel directly from your SMA Manager.

Portfolio Manager Nomination Criteria for the PMP, AAP and IC Programs.

Financial Advisors are nominated for participation in the PMP, AAP and IC Programs by members of their Branch management team. The respective Program Management team reviews each nomination and ensures applicants meet minimum stated criteria before being admitted to the Programs.

PMP Program: Applicants are generally required to have at least five years of industry experience (for PMP), meet certain asset thresholds, and hold either the Chartered Financial Analyst designation, the Certified Portfolio Manager designation, or have completed the firm's PMP's Portfolio Management Training requirement. These requirements are waived under certain circumstances including recruitment situations where a waiver of the educational requirement is granted if the Financial Advisor has approved portfolio management credentials from a major competitor firm or relevant professional experience.

AAP: AAP financial advisors must complete the AAP Portfolio Management Training requirement prior to using the program. These requirements are waived for existing PMP Portfolio Managers, Financial Advisors with the CIMA designation, or under certain circumstances including recruitment situations where a waiver of the educational requirement is granted if the Financial Advisor has approved credentials from a major competitor firm or relevant professional experience.

IC Institutional Consultant Nomination Criteria. Financial Advisors who provide Institutional Consulting services are given UBS firm designations as either Institutional Consultants or Senior Institutional Consultants. Senior Institutional Consultants and Institutional Consultants are typically required to have at least five years of industry experience and meet certain client asset thresholds at UBS. Senior Institutional Consultants have either the CIMA[4] designation from the Investments & Wealth Institute or the CFA[5] designation from the CFA Institute, while Institutional Consultants have either the CIMA, the CFA, or both the Investment Management Essentials certification and the Endowment and Foundation Consultant certification, both of which are issued by Investments and Wealth Institute (IWI). Waivers of the education requirements may be granted for Financial Advisors who have sufficient industry experience. The timeframe to meet the requirements may be extended under certain circumstances including recruitment situations. Certain Financial Advisors holding other firm designations may also provide institutional consulting services.

Recommendation of Affiliated/proprietary SMA Managers, Securities and Investments: We may, after a review of your investment needs and available options, recommend, or in our Discretionary Programs select or purchase on your behalf, affiliated/proprietary money managers or securities. Affiliated/proprietary managers are not subject to the same research standards as third-party managers. Recommending or selecting proprietary or affiliated products and managers raises a conflict of interest, because retaining those entities or purchasing those securities will result in increased compensation to UBS and/or a UBS affiliate. If you or we select SMA

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Managers, funds, products or other investment vehicles that are managed or sponsored by us or our affiliates, the management fees will be payable to either UBS or the affiliated entities. Your Account's actual investment return will be reduced by those fees, plus any related expenses and the Program Fees. Please review the applicable prospectus and offering documents carefully for a detailed description of the additional fees associated with these products.

We address the conflicts of interest presented by the recommendation of affiliated managers and application of different research standards by disclosing our practices to you to ensure you make fully informed decisions in your selection of investment strategies.

See "Services, Fees and Compensation—Advisory Programs—Compensation to Financial Advisors and UBS Portfolio Managers in Our Discretionary Programs"

D. Advisory Business

1. Corporate Structure

UBS Financial Services Inc. was organized as a Delaware corporation on June 30, 1969. UBS Financial Services Inc. became a registered investment adviser on January 22, 1971. It is a wholly owned subsidiary of UBS Americas Inc., a Delaware corporation. UBS Americas Inc. is a wholly owned subsidiary of UBS Americas Holding LLC, which in turn is a wholly owned subsidiary of UBS AG, a Swiss stock corporation whose business purpose is the operation of a bank, with a scope of operations extending to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG is in turn a wholly owned subsidiary of UBS Group AG, the holding company of the UBS Group.

2. Advisory Services

The advisory services we offer are described in *Item 4 "Services, Fees and Compensation"* of this brochure. We also offer:

Financial Planning Services: We offer financial planning for a fee as an investment advisory service. These services are separate and distinct from our brokerage services and other investment advisory services. Our Financial Planning Services are tailored to each client to provide a comprehensive review of client goals and financial planning topics, which may vary based on a client's level of wealth and the complexity of their planning needs: Our financial planning services do not include initial or ongoing advice regarding specific securities or other investments, or implementation of the financial plan. For more information, please discuss with your Financial Advisor and request the Form ADV Disclosure Brochure for our Financial Planning Services.

Retirement Plan Consulting Services and Retirement Plan Guided Solutions. We offer advisory services to defined contribution retirement plans for an asset- based, or fixed fee, or a combination thereof. Services may include, but are not limited to, helping a client establish or amend investment policies and objectives; assistance determining the number and type of investment alternatives to be offered to plan participants; developing criteria to select and evaluate service providers; providing performance evaluations; and providing education consulting, which can include a variety of educational seminars with subjects such as investing, saving for retirement, distribution planning and transition, and enrollment seminars. Unless a discretionary mandate is agreed to, all investment decisions are made by the client. For more information, please discuss with your Financial Advisor and request the Form ADV Disclosure Brochure for our Retirement Plan Consulting Services and Retirement Plan Guided Solutions programs.

3. How we tailor accounts for clients.

We tailor Advisory accounts to the specific investment objectives, risk tolerance and investment preferences of our clients in the following ways:

Investment strategies offered in our PMP program, MAC Researched and ACCESS programs are assigned a risk category rating. The responses to Questionnaires in each of these Programs are used to determine an appropriate manager or strategy that aligns to the client's stated risk tolerance. The risk category ratings were developed to approximate investor expectations of risk and reward, and to reflect the preferences of a range of investors from conservative to aggressive. Investment strategies within a particular risk category may employ a variety of investment approaches but are expected to share similar return and volatility characteristics over the long term. There can be no assurance that the stated investment objectives of the investment strategies will be realized.

Non-Discretionary, Unified Managed Accounts Program and AAP: Our asset allocations are based on a proprietary process which offers several possible asset allocation models. As in the case of our other Programs, a client's responses to their Program Questionnaire are used to determine an appropriate asset allocation. Clients with the advice of their Financial Advisors in Non-Discretionary Programs and Unified Managed Accounts Program, may tailor their allocations to their needs from the recommended asset allocation as long as they are within the internally determined risk bands. Financial Advisors in AAP establish an asset allocation aligned with the internally determined risk bands based on the client's risk profile.

We may change, at our sole discretion, the number and types of asset allocation models offered in our Programs. To better personalize the investment strategy selected, clients in Programs with SMA Managers and in Discretionary Programs may impose reasonable investment restrictions on the management of their accounts. (See "Account Requirements and Types of Clients—Investment Restrictions & Investment Policy Statements" above.)

4. Performance Fees and Side by Side Management

We offer our own portfolio management services and those of our Financial Advisors in our Portfolio Management Program and Advisor Allocation Program.

Financial Advisors in the PMP and AAP Programs may also have clients with accounts in brokerage or other Advisory programs. The services and management of those accounts differ. Due to the discretionary nature of the PMP and AAP Programs, Financial Advisors in these programs should place transactions for their discretionary clients' accounts prior to soliciting the same securities in their non-discretionary advisory and brokerage clients' accounts. PMP and AAP Financial Advisors are also subject to an internal personal trading policy.

UBS Financial Services Inc. does not impose performance fees in our wrap fee advisory programs. UBS Financial Services does not serve as investment manager to hedge funds, private equity or similar types of investment vehicles. However, as a distributor of alternative investments, including hedge funds and fund of funds, UBS receives a portion of the performance fees charged by the investment adviser to those funds. Financial Advisors who

sell those alternative investments, including those investments held in Advisory accounts, receive a portion of those fees.

5. Methods of Analysis, Investment Strategies and Risk of Loss

All investments carry the risk of loss. Please review the documents, profiles and investment proposals we provide to you when you establish accounts in the Programs for a description of the specific risks associated with the investment strategy you selected.

We obtain information from various sources, including:

- Financial publications
- Company press releases and securities filings
- Research and due diligence material prepared by UBS Financial Services Inc., our affiliates and third parties
- Rating or timing services
- Regulatory and self-regulatory reports
- Third party data providers and research consultants
- Outside consultants, experts and other professionals
- Other public sources

In addition, we receive a broad range of research and information about the following:

- The economy
- Industries
- Groups of securities and individual companies
- Statistical information
- Market data
- Accounting and tax law interpretations
- Political developments
- Credit analysis
- Risk measurement analysis
- Performance analysis
- Other information that may affect the economy or securities prices

Research can be received through various channels, including:

- Written reports
- Telephone contacts and personal meetings with research analysts
- Economists
- Government representatives
- Corporate and industry spokespersons

We may receive research, model portfolios and asset allocation services generated by UBS, UBS affiliates, third parties, by or through brokers or dealers or investment advisers, including research, model portfolios and asset allocation advice purchased through economic arrangements with such parties.

Our Investment Advisory services generally rely on a variety of fundamental, technical, quantitative and statistical tools and valuation methodologies. As a result of these different methodologies employed, technical or quantitative research recommendations may differ from, or be inconsistent with, fundamental opinions for the same security. We may use computer technology to more readily display these factors and to create asset allocation recommendations. Personnel involved in providing Investment Advisory services may have access to specialists or other information for all major industry groups.

There are two sources of UBS research. One source is written by the Chief Investment Office ("CIO"). CIO is part of the UBS Global Wealth Management business group whose primary business focus is individual investors. UBS Financial Services, Inc. is part of Global Wealth Management.

The second source of research is published by UBS Global Research. UBS Global Research is part of UBS Securities LLC, and its primary business focus is institutional investors. Because both sources of research reflect the different assumptions, views, and analytical methods of the analysts who prepared them, there may be a difference of opinions between CIO and Investment Bank Research.

In order to manage potential client and Financial Advisor confusion, CIO Research cannot rate a stock as Most Preferred (the CIO rating equivalent of a "buy" rating) if the Investment Bank has a "sell" rating on the security, or as a Least Preferred if the security is rated a "buy" by the Investment Bank. In those situations, CIO may adjust its rating or discontinue coverage.

Equity Preference Lists or portfolio lists published by CIO, which are sometimes offered into advisory programs as models or separately managed accounts, are subject to these restrictions. The application of this policy may affect the security selection process for products which rely on CIO equity research.

The conflict of interest created by this policy is managed by the Regulation AC requirement that each research analyst primarily responsible for the content of a research report, in whole or in part, certifies that with respect to each security or issuer that the analyst covered in the report: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

Our Financial Advisors and clients have access to CIO research. As a result, we expect that product areas in UBS Financial Services Inc. will incorporate insights and economic perspectives of CIO, where appropriate, in their products and services.

The various research content available through UBS does not take into account the unique investment objectives, financial situation, or particular needs of any specific individual investor.

Investments and strategies available in our Advisory Programs are subject to varying degrees of due diligence (quantitative and/or qualitative) and depth of research. For example, the Investment Manager Analysis Group conducts enhanced research on a select group of SMA Managers and mutual funds and makes that research available to Financial Advisors. These "Select Lists" represent a diversified selection of mutual funds and SMAs within various investment categories with different investment philosophies. The Select Lists are published for internal use only and can be, but are not required to be, used as a resource by Financial Advisors when recommending SMAs and mutual funds to clients. These lists are updated periodically. Financial Advisors have access to various resources to review and select the investments and managers they recommend to clients. As such, the SMA managers and mutual funds in which you invest may or may not be part of these Select Lists.

We will not notify you if the SMA or investment you select is on one of these Lists initially or if it is removed after you invest.

Important information about sustainable investments: Various products and services use terms or labels related to sustainable investments. However, industry standards and terminology related to sustainable investments will differ and are evolving. You should carefully review the offering materials to understand how a particular product or strategy approaches sustainable investing and if the approach aligns with your goals and objectives.

At UBS Financial Services Inc., we continue to maintain and evolve our own standards and framework for sustainable investing. We believe sustainable investment strategies should have an explicit focus on sustainability objectives or outcomes. Although we serve as a distributor of sustainable investment strategies, we do not review every product to determine consistency with our standards for sustainable investing, nor do all products that we make available align with our approach. Notably, not all strategies that use terms or labels related to sustainable investing, ESG, impact, or related themes are classified as sustainable by UBS.

For researched SMA strategies and certain mutual funds, our Investment Manager Analysis (IMA) group classifies investment strategies as sustainable if they meet our review standards and requirements. Managers may have their own standards for determining sustainability. Strategies are subject to re-review by IMA and the classification of a strategy as sustainable or not sustainable according to UBS's parameters, is subject to change. The sustainable classification is only one component of the IMA review process, and a change to a classification will not necessarily impact the ongoing availability of a strategy. Although we notify clients when a separately managed account strategy is no longer available on the platform or through SMA Advantage, we do not communicate changes to our sustainability classifications directly to clients. Speak to your Financial Advisor for more information about UBS's approach and IMA's classification process, or for assistance identifying specific products that we have reviewed and determined to be consistent with our standards for sustainable investing.

It is also important to know that sustainable investments across geographies and styles approach the integration of environmental, social and governance (ESG) factors and other sustainability considerations and incorporate the findings in a variety of ways. Sustainable investing-related strategies may or may not result in favorable investment performance and the strategy may forego favorable market opportunities in order to adhere to sustainable investing-related strategies or mandates. Issuers may not necessarily meet high performance standards on all aspects of ESG or other sustainability considerations. In addition, there is no guarantee that a product's sustainable investing-related strategy will be successful. Companies, as well as related investment strategies, face increasing risks associated with different and evolving industry and regulatory standards as well as public sentiment toward sustainable (ESG) and diversity (DEI) approaches; these risks include, but are not limited to, becoming the subject of investigations and enforcement actions, litigation, public boycott, and reputational harm.

Discretionary programs

UBS Portfolio Managers in our Discretionary Programs and Financial Advisors in AAP use a variety of research sources in making their investment decisions for your account, including research issued by the firm, UBS affiliates and independent sources.

UBS Portfolio Managers are not required to follow the firm or UBS issued research except in limited circumstances and may, in their discretion, take positions for your account that contradict the research issued by UBS and its affiliates.

SMA Managers

Managers in our Advisory programs are not required to use UBS research as the source of their investment decisions. SMA Managers participating in our ACCESS, MAC, AAP and SWP programs may utilize various fundamental, technical, quantitative or statistical research, tools and valuation methodologies in order to determine which securities to purchase for your program accounts. They may rely on their proprietary research, and/or they may receive research from a variety of sources, including UBS or one of our affiliates, as part of their investment process. Any research that we or one of our affiliates may provide to an SMA Manager is separate and apart from our Advisory programs and does not affect or otherwise limit the manager's discretionary investment responsibility for your program account. **You should be aware that we or our affiliates (or employees thereof) may have conflicts of interest in connection with the research reports we publish**. UBS and its affiliates (or any of our employees) may happen to fall into any one of these categories, which could potentially create a conflict of interest:

- Holding long or short positions in a specific security being researched
- Deal as principal or agent in a specific security being researched
- May provide Advisory or other services to an issuer or their affiliate that is covered in research reports issued by CIO A WM and/or INV Research

CIO A WM and INV analyst compensation is not based on investment banking, sales and trading or principal trading revenues, however, their compensation may relate to the revenues of UBS business groups as a whole, of which investment banking, sales and trading and principal trading are a part.

Financial Advisors also have access to proprietary models covering equities, fixed income, mutual funds and municipal securities developed by our various business areas.

Our Proprietary Asset Allocations

Our asset allocations are based on a proprietary methodology. In developing those allocations, UBS considers asset class risk and return results that are based on estimated forward-looking return and risk (measured by standard deviation) assumptions ("capital market assumptions" or "CMAs"). These CMAs are also based on UBS proprietary research, with the development process including a review of a variety of factors, such as the return, risk, correlations and historical performance of various asset classes, inflation and risk premium. These CMAs are vetted and approved by the UBS Wealth Management USA Asset Allocation Committee and may differ or be contrary to those established by other business areas or divisions of UBS as a result of using different assumptions and/or criteria.

The CMAs have two sets of return assumptions, designed for different investment time horizons, but a single set of risk assumptions. The "strategic" return assumptions are used for investing over one full economic cycle, whereas the "equilibrium" returns have an investment horizon of multiple economic cycles. The strategic returns have multiple uses, including developing Strategic Asset Allocations, custom portfolio analysis, and risk monitoring. The equilibrium CMAs are used for long term planning purposes and financial planning

purposes, and can be used under certain circumstances with institutional clients.

UBS periodically reviews the economic or market conditions or other general investment considerations that it believes may impact the capital market assumptions. The capital market assumptions may change from time to time at the discretion of UBS. UBS has changed its risk and return assumptions in the past and may do so in the future. We will not provide you with an updated investment proposal automatically based upon changes to these or other underlying assumptions, but you may request an updated proposal from your Financial Advisor. Changes in the assumptions may affect your Target Allocation on the broad asset class, subclass or style level. We may also add or remove asset classes, subclasses and styles from our allocation methodology at any time. We will send you a written notice in the event that changes in our capital market assumptions result in a change to your Target Allocation. It is important to note that changes to your Target Allocation may result in tax consequences to you. Please consult your tax advisor if this occurs.

The CMAs are not guaranteed, do not represent the risk or return of a particular security, investment, portfolio or strategy, and do not take into consideration the fees, costs or charges associated with any particular product, investment, portfolio or strategy. Actual performance can differ, perhaps significantly, from these CMAs. In addition, UBS employs a variety of asset allocation models and tools. As a result, our modeling outside of the programs may vary depending upon the asset allocation model, amount invested and software program used for analysis.

6. Voting of Client Securities (Proxy Voting)

You have the option to elect to vote your own proxies, however, our Discretionary and SMA Programs permit you to delegate proxy voting authority. For assets invested in SMA Programs, and the SMA sub-accounts of SWP and AAP, you may delegate proxy voting authority to your Separately Managed Account (SMA) Manager. For assets invested in Discretionary Programs, and in the case of AAP, the FA-Discretionary Sub-accounts, and custodied at UBS, you may delegate proxy voting authority to Institutional Shareholder Services Inc. ("ISS"), a proxy voting service we have engaged and made available to you. ISS will not act as proxy voting agent for DVP accounts.

You may not delegate proxy voting authority to UBS or any of its employees. Neither your Financial Advisor nor UBS will exercise voting discretion or have input regarding voting decisions made on your behalf for the securities held in our Programs or assets you hold at UBS or at other financial institutions. We will not vote proxies, file claims, or provide any advice about the voting of proxies related to the securities you hold in your Accounts at UBS or at other financial institutions, including claims or proxies related to corporate actions or legal proceedings (including bankruptcies and class actions) except to the extent required by law.

We ask you to provide these instructions when you establish your first Advisory account under the relationship Agreement. We will apply your preferences (where those features are available) to all Advisory accounts established under the relationship Agreement, unless you provide different instructions for specific accounts.

For Discretionary Programs, if you designate ISS or another firm or SMA Manager to vote proxies on your behalf (a "Proxy Voting Agent"), the Proxy Voting Agent will serve as your agent and attorney-in-fact to receive and vote all proxy and will be responsible for voting on matters requiring a proxy vote for the securities held in your Account in accordance with its proxy voting guidelines or other proxy voting guidelines to which you and your Proxy Voting Agent agree. ISS will vote proxies in your Discretionary Accounts, and in the case of AAP the FA-Discretionary Sub-accounts, based on its Benchmark U.S. Voting Guidelines. If assets are not custodied at UBS (DVP accounts), proxy materials are sent to the clients and clients are responsible for voting proxies for these assets.

A summary of ISS' Proxy Voting Guidelines, ISS' Form ADV Part 2A and the complete Proxy Voting Guidelines Benchmark Policy Recommendations are available at ubs.com/advisorydisclosures.

UBS will pay ISS fees and expenses related to proxy services, but not those of any separate Proxy Voting Agent you engage. UBS reserves the right, at our discretion and in accordance with this Agreement, to designate a different independent Proxy Voting Agent to act as your agent and attorney-in-fact to vote proxies for your Account and to pay for such proxy service-related fees and expenses.

ISS will not vote in the following circumstances: (a) the securities are no longer held in your Account; (b) assets are not held at UBS; or (c) the proxy or other relevant materials are not received by ISS in sufficient time to allow an appropriate analysis or to allow a vote to be cast by the voting deadline. In addition, ISS generally does not make recommendations, and will not vote proxies or file claims in respect to bankruptcies and class actions, limited partnership or bond issues, preferred stock, and certain foreign securities, if voting may cause the sale of the security to be prohibited under foreign law for a period of time, usually the time between the record and meeting dates ("share blocking"). Also, ISS will not vote or advise you on other corporate actions, like tender offers, which do not require a proxy or are not solicited via a proxy. Those materials will be forwarded to you. Neither we, your Financial Advisor, nor your UBS Portfolio Manager will be authorized to respond to such correspondence or advise you on actions you should take.

UBS-CAP and IC: Proxy voting for Advisory Accounts enrolled in UBS-CAP or IC will vary based on the terms of the Advisory Program(s) selected. In IC Accounts, you retain the right and obligation to vote any proxies or corporate actions, like tender offers, relating to mutual funds, exchange traded funds or alternative investment funds held in your IC Wrap Account. For SMA managers in IC Accounts, you delegate proxy voting authority to the investment manager, unless you change or cancel these instructions.

PACE; Strategic Advisor; SWP Non-Discretionary Assets; UBS-CAP Alternative Investments: You expressly retain the right and obligations to vote any proxies relating to the securities held in your PACE and Strategic Advisor Accounts, as well as for your SWP Non-Discretionary Assets, and alternative investments in UBS-CAP but you may delegate these rights and obligations to a properly authorized agent.

SMA Programs; Discretionary Programs; SMA Managers in Strategic Wealth Portfolio and AAP: By signing the Application and Agreement, you designate (as relevant given your Advisory Program selection) your SMA Manager to receive and vote all proxy and related materials for securities held in the Advisory Accounts or sub-accounts they manage on your behalf or ISS to receive and vote all proxy and related materials for securities held in Discretionary Programs or in the case of AAP the

FA-Discretionary Sub-accounts. Unless you provide different instructions, we will apply your proxy-related preferences to all Advisory Accounts you establish under the Agreement, assuming your preferences are available in each program.

When you delegate proxy voting authority to your SMA Manager, they will vote on matters requiring a proxy vote for the securities held in your Account/sub-account. Your SMA Manager will also vote on other corporate actions, like tender offers, which do not require a proxy or are not solicited via a proxy.

Neither UBS, your Portfolio Manager or your Financial Advisor exercise voting discretion or have input regarding voting decisions made on your behalf for the securities held in your Discretionary Program account.

YOU MAY CHANGE YOUR PREFERENCES AT ANY TIME BY NOTIFYING US IN WRITING.

Your proxy-related preferences do not apply to class action lawsuits, legal proceedings and bankruptcy proceedings involving an issuer whose equity or debt securities are held in your Accounts, even if you delegated proxy voting authority to us or your SMA Manager. Correspondence related to such lawsuits will be mailed to you directly and will be your responsibility (except as noted below regarding class action claims filing service). Neither UBS, the SMA Manager nor your Financial Advisor will respond to such correspondence.

Securities Class Action Claims Filing Service: Financial Recovery Technologies LLC (FRT), an unaffiliated third-party service provider to UBS, provides class action recovery solutions for eligible UBS clients. To enroll in the service, eligible clients must sign a separate enrollment agreement and appoint FRT as their agent for class action purposes. Neither UBS nor FRT provides legal advice. When clients are enrolled in the service, FRT will monitor the client's eligibility to participate in covered lawsuits and will automatically file claims with administrators. Any recoveries are paid to UBS and credited to client accounts. Clients are not charged for this service; the fee is paid for by UBS. This service is not part of our advisory programs and we do not act in an advisory capacity when making this service available to you.

Securities of Non-US Issuers: If your Account contains securities issued by a non-US issuer, unless you, your SMA Manager or the issuer have made other arrangements with us specifically with regard to such securities, or to the extent required by applicable law, we are not obligated to distribute issuer communications to you or your Proxy Voting Agent (including your SMA Manager or ISS). Pursuant to the Shareholder Rights Directive II (Directive EU 2017/828), and the related Implementing Regulation and national laws (together, "SRD II"), UBS, in its capacity as an intermediary, may be required to distribute communications from issuers that have their registered office in an EEA member state and the shares of which are admitted to trading on a regulated market situated or operating within an EEA member state. UBS may distribute such communication and facilitate the exercise of certain shareholder rights, including the right to participate and vote in general meetings of such issuers, through a third party service provider. If you hold securities covered by SRD II, you will need to enroll in our e-delivery service for shareholder communications to ensure you receive information about upcoming meetings and have access to our proxy voting service. Under SRD II, we may also provide information to these issuers regarding the identity of shareholders of their securities in response to a valid request by that issuer. UBS will have no liability to you for actions taken, or not taken, by UBS or its agents in good faith and intended to comply with any provisions of SRD II.

Limitations of our Authority: We have no authority, direct or implicit, and accept no responsibility for taking any action or rendering any advice with respect to the voting of proxies related to securities held in your SMA Account or sub- accounts. Our obligations with respect to any such solicitation are limited exclusively to forwarding, within a reasonable period of time, to your SMA Managers any materials or other information received by us with respect to such solicitation.

Proxy Voting Policies: Copies of ISS' proxy voting policies and procedures as well as those of your SMA Managers are available to you upon your request. You may also request specific information as to how proxies for your securities were voted. Some of the information, format, and period covered by the proxy reports will vary depending on the individual investment manager's policies and procedures. **Please contact your Financial Advisor regarding your requests.**

Proxy Voting in our Capacity as a Broker-Dealer: Except for ERISA Plans and Individual Retirement Accounts, if we forward proxy materials to you or your SMA Manager, as applicable given the Program you selected, but we do not receive voting instructions from you (or from your SMA Manager) within the designated time frame, we will, in our capacity as a broker-dealer vote these uninstructed shares in proportion to the voting instructions we have received from our brokerage clients on "routine" ballot items under the rules of the New York Stock Exchange, or as otherwise permitted under such rules. We may in some circumstances decide not to vote the uninstructed shares, however, upon request from an issuer or other party or where casting a vote as described above would have the unintended consequence of impacting the voting results on "non-routine" ballot items.

Fees related to shareholder communications: UBS outsources production and delivery of shareholder communications, including proxies, to a third party. The third party charges issuers standard industry fees on our behalf to recover costs related to production and distribution of the communication materials. It also shares a portion of these fees with UBS in accordance with our agreement. Proxies and other shareholder communications that are sent to SMA Managers or to ISS in accordance with the option selected by clients for their Advisory Accounts, are included in the calculation of fees collected and shared with us. Total fees collected are generally in the range of $21 million annually, and the amount paid to UBS averages approximately $7 million per year. We receive payments monthly and allocate it to the branches as non-compensable revenue; it is not paid to Financial Advisors or branch managers.

Item 7. Client Information Provided to Portfolio Managers

We share certain information you provide to us during the account opening process, including the information discussed below, with your SMA Managers, Financial Advisors and Portfolio Managers in order to assist them in the management and servicing of your Account.

For accounts in the ACCESS, AAP and SWP Programs we provide information to the SMA Managers systematically. The information we provide includes your personal information, such as your name, address, social security number (TIN) and account type. We also provide your responses to the Profile Questionnaire and general account information, such as risk profile, account objectives, and any investment restrictions on the account. We report account activity and communicate requests, including withdrawal, termination and tax harvest requests systematically.

We automatically provide your SMA Managers and sub-advisors in ACCESS, SWP and AAP with copies of confirmations for trades they place in the Accounts/sub-accounts they manage, and we automatically provide ACCESS managers with copies of your monthly account statements systematically.

We also provide trade confirmations to Investment Managers for accounts in the MAC and IC Programs when you elect to receive confirmations for the account on a monthly basis and upon your manager's request. We also provide account statements to MAC and IC managers upon your request.

SMA Managers and sub-advisors can also receive statements and confirmation and other account and client information when you grant them access via UBS Online Services.

Our Portfolio Managers and Financial Advisors who service your Account have access to the same information as listed above. as well as copies of the quarterly Performance Reviews for your Accounts.

Data Downloads. We provide your SMA Managers with access to systems that provide information about you and the accounts/sub-accounts they manage on your behalf to assist them in servicing and reconciliating your Accounts. They may download this information directly, or may, from time to time, request that we provide them with a data download that can include account holdings and transactions they effected on your behalf.

By selecting a Discretionary Program or a Program in which SMA Managers will manage your Accounts/sub-accounts, and by your continued participation in those Programs, you consent, authorize and direct us to provide your Account data and copies of your trade confirmations and account statements to your SMA Managers.

Item 8. Client Contact with Portfolio Managers

We do not restrict your ability to contact or consult with your SMA Managers, Portfolio Managers or Financial Advisors.

Item 9. Additional Information

A. Executive Officers and Board of Directors

Michael Camacho is Head of Global Wealth Management US and President and Chair of the Board of UBS Financial Services Inc.

Robert Karofsky is Managing Director and is Co-President of GWM and President of UBS Americas.

Peter Mozer is a Managing Director and a member of the Board of UBS Financial Services Inc.

Ralph Mattone is Managing Director and the Chief Financial Officer and a member of the Board of UBS Financial Services Inc.

CIO Wealth Management Research Americas
Ulrike Hoffman-Burchardi is a Managing Director and Chief Investment Officer for the Americas and Head of Global Equities at UBS Global Wealth Management

Management for the Investment Advisory Products Covered in this Brochure

Daniel Cohen – is a Managing Director of UBS Financial Services Inc., and is the Head of Investment Solutions, CIO Americas

David Giffen – is a Managing Director of UBS Financial Services Inc. and is the Head of Advisory Solutions and Mutual Funds.

General Counsel, Director of Compliance and Chief Compliance Officer

Kiye Sakai is a Managing Director and General Counsel for UBS Financial Services Inc., a US registered broker-dealer and investment advisor for UBS's Global Wealth Management US business, and head of the legal team supporting that business, which includes UBS Bank USA and UBS Trust Company of Puerto Rico Inc.

Lauren Munfa is a Managing Director, the Americas Head of Global Wealth Management Compliance & Operational Risk Control and is the Chief Compliance Officer of UBS Financial Services Inc.

Lisa M. Francomano is a Managing Director, Head of GWM C&ORC Products & Solutions and Chief Compliance Officer for UBS Financial Services' advisory business.

B. Disciplinary History

Below is a summary of the material legal and disciplinary events against UBS Financial Services Inc. during the last ten years. As of the date of this brochure, there are no reportable legal and disciplinary events for our senior management personnel or those individuals in senior management responsible for determining the general investment advice available to our clients.

The disciplinary reporting requirements for broker-dealers and investment advisers differ in some ways, with FINRA requiring broker-dealers to report on matters (for example, pending complaints and arbitrations) which are not required to be reported by investment advisers. Since our firm operates as both broker-dealer and investment adviser we file the information as required by each entity. The information in this report is not the only resource you can consult. You can access additional information about our firm and our management personnel on the Securities and Exchange Commission's website, located at *www.adviserinfo.sec.gov,* as well as the Financial Industry Regulatory Authority's website, brokercheck.finra.org.

Please note that in each instance described below, the Firm entered into the various orders, consents and settlements without admitting or denying any of the allegations.

	Disciplinary History
1	**Date of Action:** December 30, 2024 Brought by: FINRA Entity: UBS Financial Services Inc. Without admitting or denying the findings, the Firm consented to the sanctions and to the entry of findings that from February 2014 through November 2024, it sent its customers millions of trade confirmations that either (1) disclosed that the price shown was or may be an average price when it was not an average price or (2) failed to disclose that the price shown was in fact an average price. The findings also stated that the firm failed to establish and maintain a supervisory system reasonably designed to achieve compliance with Exchange Act Rule 10B-10 and FINRA rule 2232. Disposition: Censure and fine of $1.1 million.
2	**Date of Action:** December 18, 2024 Brought by: FINRA Entity: UBS Financial Services Inc. The firm entered into an Acceptance Waiver & Consent under which the firm, without admitting or denying the findings, consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system reasonably designed to assess whether its registered representatives recommended to retail customers short-term trades of syndicate preferred stocks that were unsuitable. Disposition: Censure, fine of $500,000, restitution of $343,914.66 plus interest, and disgorgement of $2,645,537 plus interest.
3	**Date of Action:** July 8, 2024 Brought by: FINRA Entity: UBS Financial Services Inc. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system reasonably designed to achieve compliance with the firm's obligation to monitor transmittals of customer funds to third parties and to respond reasonably to red flags of private securities transactions. The findings stated the firm failed to detect that a registered representative, who was acting outside the scope of their employment with the firm, sold to their customers unapproved securities that were offered by a third party. The firm repaid the customers their principal plus the amount of appreciation reported to them by the third party totaling more than $17 million. Disposition: Censure and fine of $850,000.
4	**Date of Action**: September 27, 2022 **Brought By**: Securities and Exchange Commission **Entity**: UBS Financial Services Inc. On September 22, 2022, UBS Financial Services Inc. became the subject of an order by the U.S. Securities and Exchange Commission ("SEC"), whereby it acknowledged that its conduct violated the Securities Exchange Act of 1934, Section 17(A)-4 regarding books and records retention requirements and Section 15 9B0(4)(E) regarding supervision of same. From at least January 2018 to September 2021, UBS employees sent and received off-channel communications that related to the business of the broker-dealer operated by UBS. Respondents did not maintain or preserve the substantial majority of these written communications. **Disposition**: The commission imposed a cease-and-desist order, a censure, a civil monetary fine of a total of $125,000,000 against both UBS Broker-Dealers jointly, and joint undertakings and remedial action including the retention of an independent Compliance Consultant to undertake a comprehensive review of UBS's supervisory, compliance, and other policies and procedures designed to ensure that UBS's electronic communications, including those found on personal electronic devices, including without limitation, cellular phones are preserved in accordance with the requirements of the federal securities laws. UBS agreed to pay $125,000,000

5	**Date of Action: September 27, 2022** Brought by: Commodity Futures Trading Commission Entity: UBS Financial Services, Inc. On September 27, 2022, UBS failed to supervise diligently its officers, employees, and agents in violation of regulation 166.3 Disposition: The firm shall cease-and-desist from violating section 4G of the Exchange Act, 7 U.S.C. § 6G, and regulations 1.31, 1.35 and 166.3 UBS agreed to pay, jointly and severally, a civil monetary penalty in the amount of $75,000,000
6	**Date of Action: July 27, 2022** Brought by: Securities and Exchange Commission Entity: UBS Financial Services, Inc. On July 27, 2022, UBS Financial Services Inc. consented to and became the subject of an order by the U.S. Securities and Exchange Commission ("SEC") for the failure to adequately develop and implement a written Identity Theft Prevention Program as required by Rule 201 of Regulation S-ID (17 C.F.R. § 248.201). Disposition: Without admitting or denying the findings in the order, UBS consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings pursuant to Sections 15(b) and 21C of the Exchange Act , and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (the "Advisers Act") (collectively, the "Order"). Pursuant to the Order, from at least January 1, 2017 to October 3, 2019, UBS violated Rule 201 of Regulation S-ID because its written Identity Theft Prevention Program lacked reasonable policies and procedures to: (i) identify relevant red flags for the covered accounts UBS offered and maintained, and incorporate those red flags into its Program; (ii) detect red flags that have been incorporated into its Program; (iii) respond appropriately to detected red flags to prevent and mitigate identity theft; and (iv) ensure that the Program was updated periodically. There was no finding of customer harm. UBS agreed to pay a civil money penalty in the amount of $925,000.00.
7	**Date of Action**: June 29, 2022 Brought By: Securities and Exchange Commission Entity: UBS Financial Services Inc. On June 29. 2022, UBS Financial Services Inc. consented to and became the subject of an order by the SEC in connection with allegedly inadequate training of its Financial Advisors offering the Yield Enhancement Strategy ("YES Strategy") to clients in the UBS Portfolio Management Program during February 2016 to February 2017. **Disposition**: Without admitting or denying the findings in the order, UBS consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings pursuant to Sections 15(b) of the Exchange Act and Sections 203(e) and 203(k) of the Advisers Act , making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"). Pursuant to the Order, UBS willfully violated Section 206(4) of the Advisers Act and Rule 206(4)-7, which requires a registered investment adviser to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder. UBS agreed to pay disgorgement, prejudgment interest, and a civil monetary penalty totaling $24.6 million as follows: (i) disgorgement of $5.8 million plus prejudgment interest of $1.4 million for a total of $7.2 million, which was deemed satisfied by the payments previously made by UBS to investors in excess of that amount; and (ii) a civil monetary penalty in the amount of $17.4 million.
8	**Date of Action: December 20, 2021** Brought BY: FINRA Entity: UBS Financial Services Inc. UBS Financial Services Inc. consented to a censure and to the entry of a finding that it failed to establish and maintain a supervisory system reasonably designed to supervise 529 plan share-class recommendations in violation of MSRB Rule G-27. Disposition: Letter of Acceptance Waiver & Consent; the firm was censured and agreed to pay $4,059,653 plus interest in restitution to customers. The firm voluntarily self-reported the issue to FINRA as part of FINRA's 529 share class disclosure initiative; accordingly, no fine was imposed.
9	**Date of Action: July 19, 2021** Brought By: Securities and Exchange Commission Entity: UBS Financial Services Inc. The SEC issued an Order finding that UBS violated Section 206(4)-7 of the Advisers Act in connection with the firm's failure from January 2016 through January 2018 to adopt written policies and procedures that were reasonably designed to prevent the unsuitable use of VXX, a volatility exchange-traded product, as a buy-and-hold investment in the firm's discretionary portfolio management program ("PMP"). The Order noted that even though the Firm had mandatory training and a concentration limit for VXX in PMP, it did not have a control to prevent PMP advisors from holding VXX for unsuitably long periods. The Order also noted that UBS on its own decided to remove VXX from the PMP program altogether in late 2017. Disposition: Cease & Desist Order; Censure; civil monetary penalty of $8,000,000; disgorgement and pre-judgment interest of $112,274.

10	**Date of Action: July 20, 2020** Brought By: Securities and Exchange Commission Entity: UBS Financial Services Inc. The SEC issued an order finding that UBS violated MSRB Rules G-11(k), G-17, G-27 and Section 15B(c)(1) of the Exchange Act between August 2012 and June 2016. The SEC alleged UBS did not comply with certain retail order period restrictions in new issue municipal bond offerings it distributed by allocating bonds intended for retail customers to certain customers, who immediately resold or "flipped" the bonds to other broker-dealers at a profit. The Order also found UBS, through certain registered representatives, improperly obtained negotiated new issue bonds for UBS's inventory by placing indications of interest with the flippers who then placed customer orders with the underwriting syndicate, instead of UBS submitting dealer orders directly with the syndicate on its own behalf. This practice was found to have circumvented the priority of orders and given UBS access to a higher priority in the bond allocation process than it typically would have had. Disposition: Cease and Desist; Censure; disgorgement of $6,740,000, prejudgment interest of $1,549,336, and a civil penalty in the amount of $1,750,000 for a total of 10,039,336.
11	**Date of Action: September 28, 2016** Brought By: Securities and Exchange Commission Rule: Section 15(b)(4)(E) of the Exchange Act Allegations: The SEC alleged that during the period of 2011-2014, UBS failed reasonably to fulfill supervisory responsibilities within the meaning of Section 15(b)(4)(E) of the Exchange Act because UBS failed to establish reasonable policies and procedures, and a system for applying such procedures, that would reasonably be expected to prevent and detect the violations of Section 17(a)(3) of the Securities Act of 1933. The product under review was the Reverse Convertible Note ("RCN") with a single stock as the underlying asset, also called single-stock-linked RCNs. The Order finds that the Firm failed to reasonably supervise its RCN sales by failing to develop and implement adequate education and training for its Financial Advisors regarding certain aspects of single stock-linked RCNs, including for example, the role of implied volatility of the underlying stock in the selection of the stock as the asset underlying the RCN. The Order highlighted the Firm's significant cooperation and prompt enhancement of procedures addressing the SEC's concerns. Disposition: SEC censure order and fine Fine: $8,227,566 in disgorgement (to the SEC), $798,316 in interest, and $6 million in penalty, for a total of $15,025,882.

Item 10. Other Financial Industry Activities and Affiliations

UBS Financial Services Inc. is a member of all principal securities and commodities exchanges in the United States including the New York Stock Exchange ("NYSE"). Our parent company, UBS AG, is a global, integrated investment services firm and one of the world's leading banks. We are registered to act as a broker-dealer, investment adviser and a futures commission merchant. Please note that registration as an investment adviser does not imply a certain level of skill or training.

As a full service broker-dealer and investment adviser, we offer our customers and investment advisory clients a broad range of financial services and products, and we are engaged in various aspects of the securities and investment business. Our financial services include:

- Underwriting securities offerings.
- Acting as a market maker in securities.
- Trading for our own account.
- Acting as a clearing firm for other broker-dealers.
- Buying or selling securities, commodity futures contracts and other financial instruments for customers as their broker or buying them from or selling them to clients, acting as principal for our own account,
- Providing investment advice and managing investment accounts or portfolios.
- Acting as a commodity pool operator, futures commission merchant or commodity trading advisor and providing custodial services.
- Through our affiliates, we provide clients with trust and custodial services.
- We manage, sponsor and distribute registered investment companies and other public and private pooled investment vehicles, including hedge funds, whose shares or other interests are sold to clients.

UBS Financial Services Inc. is a registered broker-dealer that provides a full suite of wealth management advisory services. Our investment advisory business is the principal business in terms of revenues.

UBS Financial Services Inc. Subsidiaries & Other Affiliates

There are a number of related persons that provide investment management and other financial services and products to our investment advisory clients, which may be material to our advisory business. UBS Financial Services Inc., our subsidiaries or affiliates act in one or more capacities, including investment adviser, sub-adviser, consultant, administrator and principal underwriter (as applicable) to a number of open-end and closed-end investment companies with varying investment objectives. As a futures commission merchant, and through affiliates registered as commodity pool operators and commodity trading advisors, we or an affiliate also provide advice on commodities and commodity-related products.

Certain of our subsidiaries, affiliates and related entities include the following:

- UBS Financial Services Insurance Agency Inc.
- UBS Trust Company of Puerto Rico.
- UBS Credit Corp. provides loans to clients that are either unsecured or secured by securities or other financial instruments. These loans may be used to buy securities or for other purposes. These loans are not subject to the maintenance requirements and potential capital charges that are imposed on broker-dealers.
- UBS Bank USA is an FDIC-insured Utah industrial bank. UBS Bank USA provides deposit services and secured and unsecured loans to clients, including loans secured by securities, other financial instruments and residential real estate. The securities based loans made by UBS Bank USA are predominately loans that are "non-purpose" and may be used for purposes other than buying, trading or carrying securities. Non-purpose securities backed loans are not subject to the maintenance requirements and potential capital charges that are imposed on broker-dealers.
- UBS Business Solutions US LLC is an affiliate of UBS Group AG that provides certain services to UBS Group AG's affiliates and subsidiaries that operate in the United States. Services currently include Finance, Risk Control, Compliance, Legal, Human Resources, Technology and Operations.

UBS Group AG (UBS Financial Services Inc.'s ultimate parent) offers investment advisory services through a variety of direct and indirect subsidiaries. These entities are separately registered investment advisors and, in some cases, registered broker-dealers and commodity-trading advisors. Their principal lines of business range from developing and distributing investment products including wrap fee products, mutual funds, closed-end funds, privately placed funds and other pooled investment products, providing investment advice to individuals, pension and other employee benefit plans, other tax-exempt organizations, insurance companies, investment companies, commingled trust funds, corporations, and other institutional investors, and serving as investment managers, administrators, distributors and/or placement agents for a number of funds, including, in the case of UBS Asset Management (US) Inc., the PACE Select Advisors Trust, and a number of UBS AG and UBS Asset Management-advised mutual funds. Certain investment advisers listed below may serve as the respective investment manager for clients participating in our MAC, ACCESS, SWP or AAP programs, or as investment managers for products we offer.

UBS Group AG has several subsidiaries registered as investment advisers in the United States, including the entities listed below. These companies manage the assets of or serve as general partners or managers of registered investment companies and private investment funds that may be offered and sold to our advisory clients. Information on those investment vehicles can be found on the respective Form ADV of each affiliated advisor.

- UBS Farmland Investors, LLS
- UBS Asset Management (Americas) Inc.
- UBS Realty Investors LLC
- Credit Suisse Asset Management Limited

Item 11. Investment Adviser Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Investment Adviser Code of Ethics

The Firm maintains and enforces a written code of ethics in accordance with Rule 204A-1 under the Investment Advisers

Act of 1940. The code and any subsequent amendments are provided to all Global Wealth Management Americas employees of the Firm and each employee is responsible for acknowledging receipt.

The code, which supplements the Firm's code of conduct, has a dual purpose:

- To set forth standards of conduct that apply to all employees of the firm and reflect the firm's fiduciary obligation to its clients.
- To address conflicts of interest associated with the personal trading activities of employees defined under the '40 Act as "access persons."[6]

Employees are required to promptly report any suspected violation of the code. Violations of the code may result in discipline, up to and including termination. Clients or prospective clients may obtain a copy of the Investment Adviser Code of Ethics upon request.

B. Participation or Interest in Client Transactions

1. Principal transactions and agency cross trades.

Under applicable rules and regulations, we may enter into principal transactions for investment advisory clients after making appropriate disclosure and obtaining client consent when necessary. However, as a matter of policy, UBS does not permit principal trading in Advisory Programs.

In accordance with the provisions of Section 11(a) of the Securities Exchange Act of 1934, we may execute transactions on the floors of national or regional securities exchanges for managed client accounts where appropriate. Additionally, if appropriate client consent is obtained and required disclosure is made, agency cross transactions may be effected for customer accounts to the extent permitted by law. Agency cross transactions are transactions in which we or our affiliates act as broker for the party or parties on both sides of the transactions. In these circumstances, we will receive compensation from parties on both sides of these transactions (the amount of which may vary) and, consequently, we will have a potentially conflicting division of loyalties and responsibilities.

Your consent to "agency cross" transactions may be revoked at any time by written notice to us. For MAC accounts, we may execute "agency cross" transactions on a routine basis, consistent with best execution, unless UBS or one of our affiliates is acting as investment manager.

Conflict of Interest

UBS and our affiliates expect to earn a profit whenever we engage in principal transactions with you, and depending on the type of security, we may include a profit margin in the price we pay or charge you, by marking up or marking down the price of the security.

The profits we or our affiliates earn on these transactions will be in addition to the fees you pay us under the Program for investment advice, trading, execution, custody and other program services. As a result, principal transactions present a conflict between your interests and our interests and those of our affiliates, because we have a financial incentive to recommend these transactions to you when they might not be in your best interest.

When we execute a principal transaction for your account, it is possible that better prices or other terms for the trade could be obtained from alternative sources not known to UBS. Since there may be securities offered by other dealers only to their clients, you may not be able to compare the price on securities offered by these dealers to those offered by UBS. These conflicts are addressed as follows:

- We have an obligation to provide you with best execution and we believe we can provide best execution to you by routing certain orders to our affiliate, UBS Securities LLC, for execution on a principal basis.
- We monitor our execution services and measure how we meet our best execution obligation by taking into account many factors, including the degree to which our affiliate, UBS Securities, executes principal trades in client accounts and, specifically, the pricing and service quality that we receive in connection with principal trades versus the costs associated with foregoing a trade (if UBS is the only dealer in a security) or executing on an agency basis through another dealer.
- The mark-up or mark-down on securities in advisory accounts is not shared with your Financial Advisor.
- Although we are not required to waive or offset our compensation under applicable rules or regulations, for certain security types such as new issue fixed- income securities, we may waive some of the compensation we earn in executing principal trades, or waive a portion of the fee imposed on your account for a period of time as an offset for other compensation we receive.

Advice/Services to Other Clients and Activities in our Proprietary Accounts

We and our affiliates provide investment banking, research, brokerage, investment advisory and other services for different types of clients, and may give advice to or take actions for those clients, or for our own accounts for those of our affiliates that differs from advice given to, or the timing and nature of actions taken for you. We and our affiliates may buy and sell securities for our own or other accounts, or we may act as a market maker or an underwriter for securities recommended, purchased or sold. UBS and our affiliates occasionally may not be free to divulge or act upon certain information in their possession on behalf of investment advisory or other clients. We are not obligated to execute any transaction for your account that we believe to be improper under applicable law or rules or contrary to our own policies. In particular, you should note that some of our programs may recommend asset allocations or analyze markets and the economy in a different way than would be recommended by some of our research, trading or other departments.

We have adopted policies and procedures that limit transactions for our proprietary accounts and the accounts of our employees. These policies and procedures are designed to prevent, among other things, improper or abusive conduct trades on behalf of money managers who participate in the Firm's advisory programs. Additional home office employees may be deemed Access Persons depending upon their work location when

[6] Access Person: all branch office employees, regardless of their job function, or certain home office employees depending upon their job function and/or work location.

there may be a potential conflict with the interests of a client.

Trading Activity
The vast majority of our exchange-listed securities and over- the-counter (OTC) orders are executed through our affiliate, UBS Securities LLC—which executes orders as either principal or as agent, depending on the circumstances and type of program involved. See the section Trading and Execution Practices—*Execution of Transactions for your Account"* for more information.

Trade Errors

We have a trade error procedure, pursuant to which we resolve trading errors that may occur from time to time. We require the appropriate supervisory personnel to review and approve the correction for certain trades. The correction must be processed on a timely basis and may not adversely affect a client, with very minor exceptions. The firm maintains an error account to facilitate handling trading errors. Gains may be offset by losses in the error account. At the end of the calendar year, if the net ending value of the Firm's error account is a gain the firm would donate funds to a charity. If an outside investment adviser causes a trade error, the outside investment adviser's trade error procedure will govern, unless it conflicts with our internal procedure.

2. Additional Sources of Compensation from SMA Managers or Vendors Whose Products We May Recommend to Our Advisory Clients

Contributions to Training and Education Expenses.
Investment managers, mutual fund vendors, unit investment trust sponsors, annuity, life insurance companies or their affiliates and sponsors of ETFs whose products are available on our platform may contribute funds to support our Financial Advisor education programs. The contributions are used to subsidize the cost of training seminars we offer to Financial Advisors through specialized firm-wide programs and regional training forums. These seminars are designed to provide training and education to Financial Advisors, Branch Office Managers, Field Leadership, and other personnel who regularly solicit clients to participate in the various types of businesses listed above. These contributions also subsidize a significant portion of the costs incurred to support the Financial Advisor training, Financial Advisor and Client education, and product marketing efforts conducted regionally and nationally by product specialists employed by UBS. The training events and seminars can (and often) include a non-training element to the event such as business entertainment which is not subsidized by vendors.

Not all vendors contribute to our education efforts. Neither contribution towards these training and educational expenses, nor lack thereof, is considered as a factor in analyzing or determining whether a vendor should be included or should remain in our programs or our platform. Contributions can vary by vendor and event. In some instances, the contributions per vendor (as well as the aggregate received from all vendors) are significant. Some vendors may decide to contribute at levels different than those we request. Additional contributions may be made by certain vendors in connection with specialized events or education or training forums. Your Financial Advisor does not receive a portion of these payments. However, their attendance and participation in these events, as well as the increased exposure to vendors who sponsor the events, tends to lead Financial Advisors to recommend the products and services of those vendors as compared those who do not.

Please see the section "Non-Cash Compensation" for a description of additional types of support and/or contributions we receive from vendors.

Directed brokerage compensation from managers available in our advisory programs

Financial Advisors who recommend or otherwise solicit the hiring of investment managers in our Advisory Programs, including but not limited to, ACCESS, MAC, AAP and SWP programs are generally not permitted to receive any directed commission income or other transaction revenue from any investment manager who is also employed in any of their ACCESS, MAC, AAP or SWP, account relationships subject to certain exceptions. However, UBS and other Financial Advisors may execute securities transactions directed to us by affiliated and unaffiliated investment managers for other clients. These transactions and the compensation we receive may not be pursuant to any specific oral or written arrangement between us and any of the affiliated and unaffiliated investment managers.

3. Additional Sources of Compensation in Connection with Investments in Advisory Accounts

UBS, our Financial Advisors and affiliates receive additional compensation in connection with certain types of assets in which your Advisory Accounts may be invested. This compensation is in addition to the Program Fee you pay us for our investment advisory services, and it is a result of distribution, shareholder servicing, administration, marketing, investment management, revenue sharing or referral agreements we and/or our affiliates have with vendors or sponsors of those securities and other services.

We also receive additional compensation as a result of inter-company profit sharing and servicing agreements. The nature of the services provided by, and the compensation paid to, us and our affiliates are described in the offering documents for the respective products, which are available at no charge through your Financial Advisor. Certain securities, mutual funds for example, are sold by prospectus only. Please read the prospectus carefully before investing.

Not all Advisory Programs permit the purchase and sale of domestic mutual funds, offshore funds, unit investment trusts, or alternative investments. Please review the eligibility of investments in your advisory program with your Financial Advisor for more details.

The amount of fees paid to us, and therefore your Financial Advisors, may vary depending on the arrangement between us and the vendors/sponsors and, if applicable for mutual funds, and the terms and conditions of the relevant fund's 12b-1 or trailing commission plan. If you hold these assets in your advisory accounts, we receive these payments for the duration of your advisory program account. In some circumstances, our receipt of such compensation may extend beyond your participation in our advisory programs if you continue to hold those assets at our firm.

As a result of the various payments to us or our affiliated companies, the amount of compensation that UBS entities receive with respect to the sale of affiliated or proprietary products

including mutual funds, and alternative investments, is greater than the amount payable to the organization as a whole from the sale of unaffiliated mutual funds or products.

For UBS proprietary products, our affiliates receive fees for providing investment management and other services ancillary to the execution of purchases of shares in affiliated funds, including, administration and shareholder services to the affiliated funds in the Programs. These fees are rebated to client retirement accounts enrolled in Discretionary Programs.

UBS only distributes funds/products that compensate UBS and its affiliates and/or UBS Financial Advisors for its distribution and placement agent services, even though there may be other funds, managers or investments with better performance results and/or more preferential terms.

Differences in fees received by UBS and/or UBS Financial Advisors create an incentive to recommend funds / investments (and in certain cases, specific share classes) in which UBS and/or UBS Financial Advisors will receive a fee or higher fees.

Unless otherwise noted, we receive the payments described below for affiliated and non-affiliated products.

Offshore Mutual Funds

Most offshore mutual funds, pay UBS a fee expressed as a percentage of the fund's stated management fees, which represents both trails paid to Financial Advisors, as well as revenue share paid to UBS. These fees are negotiated with each fund family and are paid on a monthly basis (but sometimes quarterly) and for brokerage A shares range from 55% to 65% of the fund's management fee with 65% being the most common paid rate. The service fee portion of the total fee UBS receives is for the shareholder services the Financial Advisor provides to their clients who hold the funds. Trail fees are paid to Financial Advisors based on the grid rate applicable to them. Trails charged by offshore funds reduce your investment returns. For advisory, generally based on 25% of the management fee or 0.10% of the assets.

Payment Type	Current Rate	Source of Payment	Do Financial Advisors Receive a portion of These Fees?
Trails	**Purchases after June 30, 2020** Effective June 30, 2020, we levelized the percentage of these trails paid to Financial Advisors. The current ranges of trail payments to Financial Advisors for purchases of offshore funds made at UBS after June 30, 2020, are as follows: Equity offshore funds: up to 0.75%. Fixed income offshore funds: up to 0.50%. Ultra-short duration funds: up to 0.25% **Purchases before June 30, 2020 (Legacy Shares)** **Legacy Shares for** Offshore funds are limited to B and C shares only. The amount of the trail fees paid varies among funds, asset classes and share classes but is disclosed in the applicable fund prospectus. The typical ranges of trail fees in offshore funds Legacy Shares held by clients are as follows: – B shares: generally, 0.50% to 1.00% (most frequently 1.00%) – C shares: generally, 0.75% to 1.00%(most frequently 1.00%) Please ask your Financial Advisor for our fee schedule that shows the specific trails that are paid to your Financial Advisor as these amounts are typically not clearly disclosed in the offering materials of offshore funds.	Asset-based fees typically paid by the distributor or advisor of the offshore fund.	Yes - Trails are received in brokerage accounts only. Trails are rebated to clients in the advisory programs.
Revenue Sharing	Advisory service fee: either 25% of the management fee or 0.10% of the assets Advisory Programs. Brokerage: any amount remaining after trails are paid from the total negotiated rate. The amount receive vary, but range as follows: Affiliated Offshore Funds: from 0.05% to 0.70% per annum Unaffiliated Offshore Funds: from 0.10% to 0.50% .	Revenue-sharing compensation is paid directly from the distributor or mutual fund adviser, and not from the offshore funds or indirectly through fund portfolio trading commissions Revenue- sharing compensation is intended to compensate us for ancillary services related to the sales of offshore fund shares.	No
Omnibus Processing Fees[7]	These payments are typically between $18-19 per year for each client position over $500. The fee can vary by share class. A portion of the payments we receive for Omnibus processing is paid to a sub-account vendor contracted by UBS.	These fees are paid by mutual fund sponsors from investor assets, but in some cases may be subsidized, in part, by affiliates of the mutual fund.	No

Domestic Mutual Funds

Payment Type	Current Rate	Source of Payment	Do Financial Advisors Receive a portion of These Fees?
Trailers &12b-1 Fees	Affiliated funds in Advisory Programs: No trailers or 12b-1 fees. Non-affiliated funds: Fees on A shares generally range from 0.10% to 0.50% per year—although the average current annual rate is approximately 0.25%; however, the majority of assets in the Programs are Advisory and Institutional shares classes that carry no trailers or 12b-1 fees. – For Interval Funds, A shares generally 0.25% to 0.75%, (most frequently 0.75%) – B shares: generally 1.00%, – C shares: generally, 0.50% to 1.00%, (most frequently 1.00%) Retirement shares: generally, 0.25% to 1.00% (most frequently 0.50%). If you are participating in the American Funds SIMPLE IRA Plus offering, the Retirement shares pay UBS 0.50% annually.	Investors/Shareholders pay these fees to the sponsors of the Funds. We receive these payments from the sponsors for distribution and shareholder services we provide in connection with the purchase and sale of mutual fund shares.	No. 12b-1 fees for Class A shares in PACE, Strategic Advisor and SWP are retained by the Firm and are not paid to Financial Advisors. In late 2025, unless certain exceptions apply, all 12b-1 fees will be retained by the Firm and not paid to Financial Advisors. The 12b-1 fees retained by are treated as non-compensable revenue. See "Revenue Sharing" below for a description of that process.
Networking Fees	Up to $16 for each mutual fund position that is held at UBS but typically $12-$13. Some fund companies may choose to calculate this rate expressed in basis points on assets. Exclusions may apply to positions below $500 and certain discretionary retirement accounts.	These fees are paid by mutual fund sponsors from investor assets, but in some cases may be subsidized, in part, by affiliates of the mutual fund. Networking fees are paid in consideration for services provided by us ancillary to effecting mutual fund transactions including transmission of shareholder data between UBS and the fund companies.	No
Omnibus Processing Fees[8]	These payments, which usually range from $10 to $20 per position but are typically between $15-$20, can vary by share class. Some fund companies may choose to calculate this rate expressed in basis points on assets, ranging from 0.02% to 0.25%, which may result in payments in excess of $20 per position. The asset managers making these payments may consider the excess of what the mutual fund would otherwise have paid for these services on a per position fee schedule as a form of revenue sharing. Exclusions apply to positions below $500, unless a different threshold agreed upon by UBS and the mutual fund company, discretionary advisory retirement accounts, and certain funds and/or shares classes. A portion of the payments we receive for Omnibus processing is paid to a sub-account vendor contracted by UBS.	These fees are paid by mutual fund sponsors from investor assets, but in some cases may be subsidized, in part, by affiliates of the mutual fund.	No
Revenue Share	See descriptions in **Mutual Fund Revenue Sharing compensation** Sales in brokerage range 0.05% and 0.8% Value of all assets range 0.025% and 0.15% equity mutual funds: typically up to 0.15% fixed income mutual funds: typically up to 0.10% Minimum: $10,000-$75,000 Ticketed money market funds: up to 11% Sweep money market funds: up to 0.12%	Investment adviser or distributor	No.

[8] For an individual fund company, UBS may receive either Networking Fees or Omnibus Processing Fees.

Alternative Investment Funds			
Payment Type	**Current Rate**	**Source of Payment**	**Do Financial Advisors Receive a Portion of These Fees?**
Placement Fees charged by Financial Advisors	For investments made through a UBS brokerage account, UBS charges a one-time placement fee of up to 2.00% of the invested or committed amount, at the time of the investment or commitment. The placement fee charged is in addition to the amount of the investment/commitment and can be waived or lowered by the Financial Advisor prior to the investment.	Clients/Investors pay these fees	Yes. Financial Advisors typically receive 100% of the placement fee.
Placement Fees charged by UBS	For investments made through a UBS brokerage account, UBS may also receive a placement fee for placing the investments with the third-party fund or underlying fund. These additional fees range between 0.50% and 2.00% of the commitment/investment amount.	The fund or its distributor, investment manager or investment adviser pays these fees.	No
Distribution Fees	**For Investments made through a UBS Brokerage Account**: UBS receives an annual fee for distribution services generally between 0.35% and 1.20% of the net asset value for affiliated funds, and 0.40% and 1.25% of either the net asset value or commitment amount for third party funds. .	The fund or its investment manager or adviser pays these fees.	Yes. Financial Advisors receive approximately 80-100% of the distribution fees.
Administrative and shareholder servicing fees	**For Advisory Investments:** For advisory share classes, the administrative and shareholder servicing fees UBS receives are typically in the range of 0% to 0.25% per annum, calculated based on either the net asset value or commitment amount. This fee is not paid in connection with IRA or Qualified Plan assets.	The fund or its investment manager or adviser pays these fees.	No
Distribution Fees	**Managed Futures funds:** For Investments made through a UBS Brokerage Account, UBS generally receives a distribution fee from the fund sponsor between 2.00% and 2.50% per annum calculated based on the net asset value.	The fund or its investment manager or adviser pays these fees.	Yes. Financial Advisors receive approximately 80-100% of the distribution fee.
Distribution Fees – transferred investments	For brokerage investments in third-party funds clients purchased at other financial institutions and transferred to UBS (but which UBS does not distribute), UBS compensation ranges between 0.10% and 1.05% per annum, calculated based on either the net asset value or commitment amount.	The fund or its investment manager or adviser pays these fees.	Yes. Financial Advisors receive approximately 80-100% of the distribution fee.
Revenue Sharing	For certain private funds, UBS receives additional compensation (commonly referred to as "revenue sharing") based on a percentage of the incentive fees paid to the fund's investment manager or affiliate. For those funds, UBS is paid up to 25% of the fund manager's incentive fees attributable to investors through a UBS brokerage account.	The fund's investment manager or adviser pays these fees.	No
	For other certain funds (private and registered), UBS receives revenue sharing ranging between 0.10% and 0.25% per annum calculated based on the net asset value, attributable to investors through a UBS brokerage account for ancillary services in connection with effecting sales of these third-party funds.	The fund or its distributor, investment manager or investment adviser pays these fees.	No
Referral Fees	In limited circumstances, UBS may refer a brokerage client to a third-party manager for investment into one of the manager's funds for a negotiable referral fee.	The fund or its investment manager or adviser pays these fees.	Yes. Financial Advisors receive approximately 80-100% of the distribution fees.

UBS allocates investments to investors in priority of the chronological order of investors who successfully submit completed fund documentation; however, specific funds may have different parameters with respect to eligibility, minimum investment amounts, suitability or fund discretion, among other things, that will change the priority.

Mutual Fund Revenue sharing compensation. The revenue sharing information below is current as of the date of this brochure and is subject to change in our discretion. Updated and current information on these arrangements is available at our website, *www.ubs.com/mutualfundrevenuesharing.*

Generally, we receive revenue sharing compensation in connection with all mutual fund assets in Program Accounts except for assets held by:

- Qualified Plans and IRA clients in our Discretionary Programs (PMP, AAP and UBS Advice Advantage) and in PACE Select.
- Mutual fund assets in the Strategists Models
- IC clients that hold mutual funds in an IC Account.
- Clients invested in funds that have been created at the request of UBS to meet a specific investment objective ("Purpose Built Funds") in Discretionary Programs. Purpose Built Funds are funds which UBS requests be established either by affiliates or third parties in order to fulfill a product need.
- Clients whose accounts are custodied at other financial institutions.

Revenue sharing compensation will not be rebated or credited to you. However, to the extent we receive revenue sharing compensation for Qualified Plans and IRA assets in our Discretionary Programs or PACE Select, that compensation will be rebated to Plan and IRA clients.

In addition to sales loads, 12b-1 fees, networking and omnibus processing fees, UBS receives other compensation from certain distributors or advisors of mutual funds that we sell. These separate compensation amounts (commonly referred to as revenue sharing) are paid by most, not all Mutual Funds company on the UBS platform. Revenue-sharing payments are intended to compensate us for assisting with the sales and distribution support and ancillary services related to sales of mutual fund shares.

We require that these payments be made directly from the distributor or advisor, and not from the mutual funds or indirectly through mutual fund portfolio trading commissions. Revenue-sharing payments are intended to compensate us for assisting with the sales and distribution support and ancillary services related to sales of mutual fund shares. **Except as noted, none of these amounts are rebated to you or paid to the Financial Advisor or his or her branch office**.

Revenue sharing payments are allocated to the individual branch offices as "non-compensable revenue" (revenue that is not paid out to Financial Advisors or Branch Office Managers) but are considered as part of the overall profitability of the branch, and as one of several components used in determining Branch Office Manager compensation.

Many mutual funds companies, including our affiliate, UBS Asset Management, pay revenue sharing to us. UBS determines the level of access to our branches based on our own review and evaluation of mutual funds and fund families. There are multiple factors involved in determining a particular mutual fund's level of access to our branches. Although revenue sharing may be one factor, others include understanding of business goals, quality of sales personnel and marketing material, range of products, level of service to Financial Advisors and Branch Managers, participation of funds in researched investment models, and branch discretion.

– Brokerage assets: Currently, revenue sharing is negotiated based on a percentage of the assets held by UBS clients in brokerage accounts although we have older contracts for which we receive revenue sharing payments for brokerage accounts based on **both** sales and assets as described below.

– Advisory Assets: Revenue sharing for advisory assets is calculated based on assets subject to certain exclusions described in the "*Additional Sources of Compensation in Connection with Investments in Advisory Accounts"* section of the Form ADV Disclosure Brochure,"

In general, we charge each mutual fund family up to the following amounts:

– Sales: 0.05% to 0.08% one-time payment in the quarter of purchase on all purchases of mutual fund shares in brokerage accounts.
– Assets: 0.025% to 0.15% per year payment of the asset value of all equity and fixed income mutual fund shares held at UBS in both brokerage and advisory accounts (other than money market and offshore funds). The most common rates are 0.15% on equity mutual fund shares and 0.10% on fixed income mutual fund shares.

– Some mutual fund families pay a flat fee annually that can result in payments that are higher or lower than the percentages described above.

– For money market funds (**excluding** those used as automatic sweep vehicles for your UBS accounts), UBS receives revenue sharing of up to 0.11% for assets held across all UBS accounts with the exception of retirement assets held in discretionary advisory programs.

- The UBS RMA Government Money Market Fund and UBS Liquid Assets Government Fund are money market funds used as default sweep options for uninvested cash held in certain accounts which are not eligible for the UBS Bank deposit sweep as described in the "Money Market Mutual Fund Sweep Program" section of this brochure. Our affiliate, UBS Asset Management, pay us revenue sharing up to 0.12% of the average daily net assets in the UBS RMA Government Money Market Fund which serves as the sweep fund for certain non-retirement accounts. No revenue sharing is paid on the UBS Liquid Asset Government Fund, the sweep fund used for retirement accounts.

- Some mutual fund families are subject to a minimum annual payment which, in some instances, may result in a fee that exceeds the percentages described above. These minimums range from $10,000 to $75,000, but are most often $75,000. We expect to begin increasing this rate to require a minimum of $100,000 starting January 1, 2026.

Revenue Sharing for Offshore funds

Brokerage Assets: The revenue sharing payments UBS receives from mutual funds in brokerage accounts represents a **portion** of the total fee (55% to 65% of the fund's management fee with 65% being the most commonly paid rate) received from the funds less

payments paid to Financial Advisors as trails described above. The revenue sharing percentage received by UBS varies depending on the total fee received by UBS less the trail payments to Financial Advisors, but ranges between 0.05% to 0.70% for affiliated offshore funds, and 0.10% to 0.50% for non-affiliated funds.

Advisory Assets: Revenue sharing for advisory assets invested in offshore funds is generally based on either 25% of the management fee or 0.10% of the assets in our advisory programs.

- Asset based: Between 0.025% and 0.15% per year (paid quarterly) of the asset value of all equity and fixed income mutual fund shares held at UBS in both brokerage and advisory accounts, (other than money market and offshore funds); the most common rates are 0.15% on equity mutual fund shares and 0.10% on fixed income shares. Certain mutual fund companies pay a flat-fee annually that are higher or lower than the rates listed above.

Money market mutual funds excluding those used as automatic sweep vehicles for your UBS investment account, pay revenue sharing of up to 0.11% for assets held across all UBS accounts with the exception of retirement assets held in discretionary advisory programs.

Except as noted above, we receive revenue sharing compensation in connection with all mutual fund assets, including assets in Institutional and Advisory shares. This additional compensation we receive presents a conflict of interest and is an incentive to allow certain Institutional and/or Advisory share classes to be purchased in Investment Advisory Programs for which we receive higher compensation.

Although we seek to apply a level, standard payment schedule for all of the mutual fund companies whose funds we sell, mutual fund companies approach revenue sharing in a variety of ways, and some mutual fund companies decline to pay revenue sharing exactly at the levels listed above or at all. As a result, such funds present a financial disincentive for us to promote the sale of those funds that do not pay us at the levels listed above.

Revenue sharing payments present a conflict between our interests and those of our customers, because the payments give us a financial incentive to recommend that our customers buy and hold shares of those funds that we maintain on our distribution platform and for which we receive revenue-sharing payments. Although mutual funds from over 400 different fund families are available on our distribution platform, this represents only part of the universe of mutual funds that are available in the financial services marketplace.

Unit Investment Trusts, Proprietary Money Market Funds and Banking Products			
Payment Type	**Investment Type and Current Rate**	**Source of Payment**	**Do Financial Advisors Receive a Portion of These Fees?**
Volume based payments	**Unit Investment Trusts**. additional payments to the firms that sell their UITs, including UBS. Calculated as a percentage of the total volume of sales of the sponsor's UITs made by the firm during the UIT's initial offering period. The percentage typically increases as higher sales volume levels are achieved. These payments are only made on the sale of units subject to a transactional sales charge in brokerage accounts.	These payments are made by the UIT sponsor and not out of UIT assets.	No.
Proprietary Money Market Funds used as Sweep Vehicles	UBS RMA Government Money Market Fund and UBS Liquid Assets Government Fund. Payments to UBS Financial Services: shareholder services fees (non-12b-1) from UBS RMA Government Money Market Fund at an annual rate of 0.25% of the fund's average daily net asset (unless otherwise waived). Revenue Sharing: UBS RMA Government Money Market Fund assets at the annual rate of up to 0.12% of the fund's average daily net assets. We also provide certain services with respect to both funds pursuant to a delegation of authority from BNY Mellon Investment Servicing (US) Inc. ("BNY Mellon"), the transfer agent of the funds, for which we receive compensation in the amount of $1.08 per month per account from BNY Mellon with respect to UBS RMA Government Money Fund.	UBS Asset Management (Americas) Inc. ("UBS AM Americas"), BNY Mellon Investment Servicing (US) Inc. ("BNY Mellon"),	No.
Banking Products and Sweep Program	**UBS Bank Core Savings Accounts:** annual fee of up to $50 for each account UBS Bank Sweep Programs and the UBS FDIC-Insured Deposit Program annual fee of up to $50 for each UBS account that sweeps into deposit accounts at UBS Bank USA. **UBS-ISP (part of the UBS Bank Sweep Programs) and the UBS FDIC-Insured Deposit Program:** All Program Banks, except UBS Bank USA, pay UBS a fee equal to a percentage of the average daily deposit balance in the Deposit Accounts at each Program Bank. The fee varies from bank to bank and ranged between 4.97% to 5.53% from March 2023 to March 2024 for both programs. The service fee is paid monthly.	UBS Bank USA UBS Bank USA UBS Bank USA Program Banks	Brokerage: FAs received monthly production credits of 10bps if the client relationship meets certain qualifying criteria relating to cash management transactions. Advisory accounts are not included

Compensation for Data Analytics (Strategic Insights): Our Strategic Insights program offers vendors whose products are offered on the UBS Financial Services platform the opportunity to enter into agreements with us pursuant to which, for a fee ranging from $170,000 – $370,000, we will provide analytics and data relating to Financial Advisors in order to help vendors streamline and tailor the way they do business with our Financial Advisors. The list of Financial Advisors is a complete list of all of our Financial Advisors including those that sell their products and those who do not.

Vendors that have this data have an advantage over others as they have a greater level of information and can tailor their wholesaling efforts in our branches, which may result in increased sales of those products by our Financial Advisors. Financial Advisors do not receive a portion of these fees. Although opportunities for these strategic relationships are available to all vendors whose products are available on our platform, not all vendors participate in these relationships. Participation in this program is optional and is not a consideration when determining whether or not a vendor's products will be made available on the platform.

Fees related to shareholder communications: UBS outsources production and delivery of shareholder communications, including proxies, to a third party. The third party charges issuers standard industry fees on our behalf to recover costs related to production and distribution of the communication materials. It also shares a portion of these fees with UBS in accordance with our agreement. Proxies and other shareholder communications that are sent to SMA Managers or to ISS in accordance with the option selected by clients for their Advisory Accounts, are included in the calculation of fees collected and shared with us. Total fees collected are generally in the range of $21 million annually, and the amount paid to UBS averages approximately $7 million per year. We receive payments monthly and allocate it to the branches as non-

compensable revenue; it is not paid to Financial Advisors or branch managers.

Non-cash compensation: We and our Financial Advisors receive non-cash compensation from mutual fund companies, investment managers, unit investment trust sponsors, annuity providers, insurance vendors and sponsors of investment products (including, but not limited to, ETFs) that we distribute. This compensation includes the following:

- Occasional gifts up to $100 per vendor per year
- Occasional meals, tickets or other entertainment of reasonable and customary value. The thresholds and limits for gifts and entertainment are designed to mitigate conflicts related to recommending the products of the providers of such gifts, meals or entertainment.
- Sponsorship support of educational events the Financial Advisors arrange for clients and prospective clients.
- Contributions made at the firm-level toward seminars and educational programs for Financial Advisors. These contributions are significant both per vendor and in the aggregate. While Financial Advisors do not receive any portion of these payments, the conflict presented is that a Financial Advisor's attendance and participation in educational or training forums, and the increased exposure to vendors who sponsor these events, tend to lead Financial Advisors to recommend the products and services of those vendors over the products of other vendors. These seminars and educational programs often include non-educational elements. (See above, *Contributions to Training and Education Expenses*, for additional details).
- Various forms of marketing support and, in certain limited circumstances, the development of tools used by the Firm for training or record-keeping purposes.

The receipt of cash and non-cash compensation from sources other than clients, and the differences in the way we compensate Financial Advisors for the products we offer, create an incentive for Financial Advisors to recommend certain products and account types over others. We address our conflicts of interest by maintaining policies and procedures requiring that Financial Advisors act in your best interest, reasonably supervising their activities and by disclosing these conflicts to you so that you can make fully informed decisions.

Non-cash compensation can vary by vendor and event.

Other compensation: In addition, our affiliates receive trading commissions and other compensation from mutual funds and insurance companies whose products we distribute.

UBS or our affiliates may engage in a variety of transactions with (or provide other services to) the investment managers, mutual funds, their affiliates or service providers with which you are doing business. We may, in turn, receive compensation from these entities. Those transactions and services that we or our affiliates provide may include:

- Executing transactions in securities or other instruments
- Broker-dealer services for our own account
- Research services
- Consulting services
- Performance evaluation services
- Investment banking services
- Banking or insurance services

4. Margin and Lending

You may choose to engage in leverage strategies involving the assets in your eligible non-retirement, non- custodial accounts. Margin is generally not recommended or permitted in advisory accounts. However, we may from time to time, approve margin on an exception basis when requested by a client or for use in specialized strategies available in our advisory programs. You may also use certain managed account assets to collateralize margin loans and purpose credit lines, as described below, in your brokerage account. Certain accounts in Strategic Advisor may use margin upon request.

You must meet certain eligibility requirements and complete loan documentation prior to using margin in your advisory account or applying for a credit line loan. Specifically, you will be required to execute a separate margin agreement with us or loan documents with UBS Bank USA or UBS Credit Corp.

Your Financial Advisor does not receive any portion of the interest or fees paid to UBS, UBS Bank USA or UBS Credit Corp. on margin or purpose loans.

Margin and Purpose Credit Lines. Using margin loans or purpose credit lines in an Advisory Account or using the advisory assets as collateral for margin loans or purpose credit lines used in another account is a more aggressive, higher cost and higher risk approach to pursuing your investment objectives. Before you decide to use margin or a purpose credit line in your managed account or to use such assets as collateral for margin or a purpose credit line, you must carefully consider:

- whether or not you can afford, and want, to assume the additional risks that losses in your account may be significantly greater than if you decide not to invest with borrowed funds (i.e., not to use leverage).
- that the use of leverage will increase your costs of investing, as well as your risks, and depending upon the return achieved through the use of margin or a purpose credit line, may make your investment objectives more difficult to realize.
- If we provide a margin loan or purpose credit line to you, you will pay us interest on the outstanding loan balance. Since the wrap fee is calculated as a percentage of assets under management, the use of margin or a purpose credit line to purchase securities in a managed account generally will increase the amount of (but not the percentage of) the wrap fee that you pay to us. This will result in additional compensation to us, the Financial Advisor and your selected investment manager.

The decision to use leverage in a managed account or use those assets as collateral rests with you and should only be made if you understand:

- The risks of margin and purpose credit line borrowing and the impact of the use of borrowed funds on a managed account
- How the use of margin and purpose credit lines may affect your ability to achieve investment objectives.
- **You may lose more than your original investment.**
- A positive or negative performance of a leveraged managed account, net of interest charges and other account fees, will be magnified by virtue of using borrowed money. As a result, gains or losses in a leveraged managed account will be greater than would be the case with an unleveraged managed account.
- **You will not benefit from using leverage in an Advisory Account if the performance of your account**

does not exceed the interest expense being charged on the loan plus the additional advisory account fees incurred by your account as a result of the deposit of the loan proceeds.

Credit Lines. You also may apply to borrow money from our affiliates, UBS Bank USA or UBS Credit Corp., using an eligible securities account. These eligible securities accounts may include one or more of your advisory accounts, which may be used as collateral pursuant to the UBS Credit Line Program. Credit line loans are either non-purpose or purpose loans. Non-purpose loans may **not** be used to purchase, trade or carry securities and may be used for other liquidity needs such as personal expenses, real estate transactions, or other needs. However, non-purpose proceeds may be used (i) on an exception basis when requested by a client, to invest in select private equity funds or other non-purpose margin stock (for example floating rate notes) and (ii) be used to purchase precious metals (for example gold), which results in Financial Advisor compensation on both the non-purpose loan and the use of loan proceeds. Purpose loans may be used to purchase, trade or carry securities or may be used for other liquidity needs such as personal expenses, real estate transactions, or other needs. Please review your loan agreement to make sure you understand which type of loan you have and that you ensure you are in compliance with its terms. In order for an Advisory Account to be eligible to serve as collateral for a credit line loan, the Advisory Account may not also serve as collateral for any margin lending.

You are responsible for independently evaluating if the loan is appropriate for your needs, if the lending terms are acceptable, and whether the loan will have potential adverse tax or other consequences to you. Your decision whether to arrange a loan or draw down on your loan and how you use your loan proceeds is not encompassed within our advisory relationship. The lending relationship is governed exclusively by the Credit Line Agreement between you and UBS Bank USA or UBS Credit Corp., and any interaction you have with your Financial Advisor in connection with applying for or obtaining a credit line is in his or her capacity as broker, not as an investment adviser.

If you wish to collateralize a credit line loan with an advisory account, we will automatically discontinue the margin for that Account. Since your Advisory Account will be pledged to support any loans extended under the UBS Credit Line Program, you will not be permitted to withdraw any of the assets in the Account unless there is a sufficient amount of collateral otherwise supporting the loans (as determined by UBS Bank USA or UBS Credit Corp. in its sole discretion).

You will pay interest to UBS Bank USA or UBS Credit Corp. on the loans you obtain from them in addition to the Advisory Account Program Fees paid to UBS. The interest rate charged in connection with a credit line loan from our affiliates may be higher than that charged by other lenders.

UBS Bank USA pays a servicing fee to UBS based on the amount of outstanding loan balances, irrespective of the type or level of interest rate, to compensate UBS for referring clients and for administrative and operational support relating to the loan. In the event you maintain a loan balance on a non-purpose loan, your Financial Advisor will receive compensation primarily based upon the outstanding balance and the corresponding spread on the loan. This provides an incentive for your Financial Advisor to refer you for a non-purpose loan and to draw down on the loan. In certain circumstances, the loan approval amount and spread on the loan may determine whether your Financial Advisor is eligible for compensation, but even in those circumstances compensation paid to your Financial Advisor depends on the outstanding balance.

Since UBS and your Financial Advisor are compensated primarily through advisory fees paid on your Account, we (and your Financial Advisor) benefit if you draw down on your loan to meet liquidity needs rather than sell securities or other investments in your Account, which would reduce our advisory fee. A draw down would preserve your Financial Advisor's advisory fee revenue and may generate additional loan-related compensation for the Financial Advisor. This presents a conflict of interest for your Financial Advisor when addressing your needs for liquidity. UBS mitigates this conflict by training and supervising Financial Advisors to make investment decisions that are in your best interest.

Our affiliates will have a lien on assets in your Account to secure a credit line loan, which creates a conflict of interest with respect to the management of your Account. Specifically, in order to preserve sufficient collateral value to support the loan and avoid a margin call, depending upon your leverage, a Financial Advisor may be inclined to invest your Account in more conservative investments, which may result in lower investment performance than more aggressive investments (depending on market conditions). We mitigate this risk by requiring and monitoring to ensure that your Account is managed consistent with your respective investment strategies. In addition, where a loan is secured by both brokerage and advisory assets, a Financial Advisor will benefit if your brokerage assets are liquidated prior to or instead of your advisory assets because he would then be able to maintain advisory fee revenue.

Defaults Margin and Credit Lines are full recourse, demand loans. UBS, UBS Bank USA or UBS Credit Corp., as the case may be, may demand repayment at any time. You may need to deposit additional cash or collateral, repay part or all of the loan or sell securities if the value of the portfolio declines below the required loan-to-value ratio or if the required collateral is not maintained (commonly referred to as a "margin call"). You are personally responsible for repaying the margin loan or Credit line loan in full, regardless of the value of the collateral.

Failure to promptly meet a request for additional collateral (a margin call) or repayment or other circumstances (e.g., a rapidly declining market) could cause us, in the case of margin loans, or our affiliate, in the case of credit lines, and in our discretion, to liquidate or instruct us to liquidate some or all of the collateral account(s) to meet the margin loan or credit line requirements or to repay all or a portion of the outstanding margin or credit line obligations. It is possible that neither you nor your Financial Advisor will be provided advanced notice of a liquidation of securities that you have pledged as collateral. Furthermore, neither you nor your Financial Advisor may be entitled to choose the securities to be liquidated. Depending on market circumstances, the prices obtained for the securities may be less than favorable. When securities are forcibly liquidated pursuant to a margin call or demand for full or partial repayment of the loan, either UBS Bank USA or UBS Credit Corp. will instruct UBS to liquidate (in its capacity as a broker-dealer) some or all of the collateral account(s).

UBS will benefit if your brokerage assets are liquidated prior to or instead of your advisory assets because UBS would then be able to maintain advisory fee revenue. However, UBS follows procedures, agreed upon with UBS Bank USA and UBS Credit Corp., relating to such liquidations to address and eliminate this potential conflict by prioritizing the position(s) with the most exposure and highest maintenance requirement, irrespective of which account type holds such securities.

Any required liquidations may result in adverse tax consequences. UBS, our affiliates and employees do not provide legal or tax advice. You should consult your legal and tax advisors regarding the legal and tax implications of margin borrowing and using

securities as collateral for a loan.

Neither UBS, our affiliates nor our Financial Advisors will act as investment adviser to you with respect to the liquidation of securities held in an advisory account to meet a margin or purpose loan call or credit line loan demand. In addition, as creditors, we and our affiliates have interests that are adverse to you. Our affiliated lenders have the right to protect their own commercial interests and take actions that adversely affect the management of your Account and related performance. Additional limitations and availability may vary by state. Those liquidations will be executed in our capacity as broker-dealer and creditor and may, as permitted by law, result in executions on a principal basis in your Account.

Securities backed financing involves special risks (including, without limitation, being subject to a margin call if certain collateral value requirements are not met) and is not suitable for everyone. For further information, please see the UBS Financial Services Inc. Loan Disclosure Statement, which is available from your Financial Advisor.

Item 12. Personal Trading

The Investment Advisers Act of 1940 imposes a fiduciary duty on portfolio managers to always act in the best interests of clients and to put their clients' interests ahead of their own. With respect to trading in a Financial Advisor's own account or one over which he/she has control or a beneficial interest (a "Control Account"), there is a potential conflict of interest in situations where Financial Advisors buy or sell securities for their own accounts as well as the accounts of their clients.

To ensure that the AAP Financial Advisors, PMP Portfolio Managers, Financial Advisors with a power of attorney for limited discretion in IC, and UBS Financial Services Inc. avoid any potential conflicts with respect to personal trading, we have a Personal Trading Policy for Control Accounts. Generally, when a security is bought or sold in a PMP or AAP account, that security may not be bought or sold in the PMP/AAP Financial Advisor's Control Account(s) during a defined timeframe.

The Personal Trading Policy applies to trades in an advisor's Control Account unless the Control Account participates in PMP or AAP and is traded in a block transaction receiving an average price along with other PMP/AAP client accounts.

Item 13. Review of Accounts

We have various policies and procedures applicable to the review and supervision of client accounts in our investment advisory programs. Those policies are designed to comply with the requirements of the Investment Advisers Act of 1940, and where applicable, ERISA and other applicable rules and regulations.

There are general policies applicable to all advisory accounts as well as individually tailored guidelines for each of the wrap fee programs described in this brochure. Because the Programs offer different services and have different features, the guidelines for supervision vary by Program.

Accounts are reviewed periodically (usually quarterly), although certain guidelines for specific Programs are reviewed daily (for example, principal trades and trading errors). Items generally reviewed include, but are not limited to the following (as applicable given program features and services):

- consistency of the client's investment profile with their selection of SMA Managers in the ACCESS program, asset allocations in PACE, SWP, AAP and Strategic Advisor, and investment strategies managed by our Portfolio Managers in PMP;
- levels of security and cash concentration;
- compliance with principal trade restrictions where those trades are not permitted;
- levels of unsolicited trading in Strategic Advisor;
- asset allocation and investment policy guidelines in UBS-CAP and investment policy statements in IC;
- trading activity in the PMP program, and trading guidelines for PACE, Strategic Advisor, SWP, AAP UBS-CAP and IC; and
- review of researched SMA Managers.

Advisory Account Groups; Impact on your Accounts and Investment Advisory Fees: Advisory Account Group ("AAG") applies certain Advisory program guidelines across all, or some accounts across a client tax identification number (or other unique identifier). The AAG aggregates guidelines across multiple accounts held by the same client in either the same program or across programs, depending on the specific guideline and program. The AAG impacts the application and resolution of guidelines at the account level including, but not limited to:

- Single security concentration (i.e., equity, bond, mutual fund, etc.)
- Aggregate security concentration (i.e., complex mutual fund, structured products, etc.)
- Cash concentration
- Trading level activity
- Minimum positions

The standard AAG will be automatically applied to all existing and new Advisory accounts with the same client tax identification number (or other unique identifier). At your request and pursuant to a letter of authority, we may also establish a custom AAG by combining two or more standard AAGs and expanding the group of accounts considered for purposes of the program guidelines.

UBS-CAP and IC do not use the standard or custom AAGs. The UBS-CAP and IC Programs apply Program guidelines on investments, restrictions and activity at the portfolio-level across a client's accounts enrolled in the respective Program, not on an account-by-account basis. This means that an individual client account will be deemed to be in alignment with program guidelines (for example, as to position concentration, trade activity, etc.) when considered together with the client's other UBS-CAP or IC Program accounts, even when the individual account would not align with program guidelines if viewed separately.

For example, an individual client account with no trading activity over a given period will be deemed to be in alignment with program guidelines if the client's CAP Program accounts viewed together demonstrate that the client is receiving investment advisory services under the CAP Program consistent with program guidelines. This is even though, if not enrolled in the CAP Program, the Account would otherwise be terminated and transitioned to a brokerage account for not fully leveraging the wrap fee services offered in the Program and covered by the Program Fee.

The use of the AAG or, for UBS-CAP and IC, a portfolio based approach for the supervision of Program guidelines means that:

- Some or all of such accounts may remain in the UBS Investment Advisory Programs although they would have been terminated from the Program(s) due to concentration levels or low trading levels if reviewed on a stand-alone basis;

- For UBS-CAP and IC, accounts with no trading can remain in the Program for an extended period of time so long as clients are receiving and leveraging the investment advice provided in the respective Program;
- The continued participation of such accounts in UBS Investment Advisory Programs will result in UBS receiving revenue that it may not have otherwise received had the accounts been reviewed individually and terminated from the program;
- Unless you are paying a levelized UBS Investment Advisory Fee for all assets in the AAG relationship, it is possible that the trading or concentration levels of accounts with lower fees will benefit those in which you are paying higher fees or vice versa; and
- While the ongoing advice of your Financial Advisor is the principal component of the services you pay for in the Programs, if you trade infrequently you may not be taking full advantage of all of the services offered.

Annual Review of Accounts: Financial Advisors are required to conduct an annual internal review and a review with clients of Accounts enrolled in Advisory Programs. Reviews are conducted on a household basis.

Branch or Market Managers and other supervisory personnel are responsible for the supervision and review of these accounts, while home office Program Managers are responsible for enforcing the various program guidelines. Reports are generated either by the Program Management team or automatically through our systems, and provided to Financial Advisors and Branch or Market Managers for follow-up. These reports are for internal use and are not provided to clients. If the report item is not remedied within a pre-determined period of time, the accounts may be terminated from the Programs or other action taken to bring the account back into compliance with Program guidelines or document an exception to the guidelines.

Clients in the Advisory programs receive an annual review of their account which identifies shifts in the asset allocation in their Advisory Account Review documents.

Item 14. Client Referrals and Other Compensation

Arrangements with Affiliates: We have referral agreements with our affiliates that outline: (1) how we refer clients to them, (2) how they refer clients to us, (3) how we act as solicitor for their advisory services and/or wrap fee programs, (4) how we refer clients to them for services other than advisory services, and (5) how we are compensated when we refer investors into private funds they manage and promote.

Under those agreements, we share fees with or receive fees from our affiliates for the referral or solicitation of clients or for services provided to clients. These payments will vary, depending on the type of agreement, product or the nature and extent of the services provided, and may continue as long as the client account is maintained with UBS or our affiliate, for an agreed upon period, or as compensation for distribution services in the case of interests in financial products sold (such as interests in private funds). Arrangements may also be based on a percentage of revenue received.

Third Party Arrangements: We also have a referral program in which UBS enters into solicitation arrangements with third parties that we compensate for referring or soliciting their clients to participate in our Advisory or trust services programs. The compensation these solicitors receive is generally a portion of the advisory fees we receive from referred clients. There are conflicts of interest that arise when we compensate third parties for solicitation activities. The fees solicitors receive may provide greater compensation to the third party than other similar arrangements and motivate the third party to recommend our services or Programs over other similar services or Programs that involve less lucrative fee-sharing arrangements. Third-party solicitors will provide detailed information at the time of the referral regarding the compensation arrangement with UBS and the related conflicts of interest.

We also have solicitation arrangements under which we and/or our Financial Advisors receive compensation for referring clients to a third party who will provide investment advisory or other services to the client. The compensation we receive is usually a portion of the advisory fee the third party receives from its clients and will continue as long as the referred client remains invested in an advisory program with the third party. In certain circumstances we may also receive commission revenue for transactions those third parties execute through our firm. It is our practice to disclose to the client being referred the terms of the arrangement, including the maximum compensation payable to us and/or our Financial Advisors or a third party, as the case may be. We also may refer clients to a third party for investment in private funds managed by the third party. In those cases, we will typically enter into a placement agent agreement with the third-party manager (or a private fund that it manages) that describes the terms of the arrangement and compensation paid to UBS. The compensation we receive under these arrangements with third parties presents a conflict of interest since it provides an incentive for UBS and its Financial Advisors to refer clients to a third party that offers us compensation, or greater levels of compensation for their products or services over other third parties. We address these conflicts by providing detailed information at the time of the referral regarding the compensation arrangement with the third party and the related conflicts of interested.

We and our affiliates also have arrangements with some third party investment managers under which we and/or certain of our Financial Advisors provide research (within the meaning of Section 28(e) of the Securities Exchange Act of 1934), and in return, the investment manager places brokerage transactions with us for execution, subject to best execution practices and requirements.

The research services provided generally may be in the form of written reports or telephone contacts or personal meetings with security analysts, economists, or meetings hosted by our Financial Advisors with corporate or industry spokespersons. UBS or our Financial Advisors also may recommend or refer clients to third-party investment managers that place brokerage transactions with us.

The differences in the form or amount of compensation paid to us by different investment managers for client referrals or research products create a conflict between our interests and the interests of the clients referred because of the incentive to make referrals to those investment managers that offer us greater compensation than others.

Referral arrangements for financing business. We have certain agreements whereby we refer our customers to certain lenders, on a non-exclusive basis, for specific financing opportunities not available at UBS or its affiliates. These lenders may be able to assist clients in securing financing for specialized borrowing needs.

It is our practice to disclose to the client being referred the roles of UBS and the lender in connection with such referral and that we receive a referral fee from the lender. Upon the successful completion of a transaction, the lender will pay us a referral

fee, which will vary depending upon the lender and/or the amount of the financing. A portion of the fee we receive is paid to the Financial Advisor.

Referral Arrangements for Annuities for Insurance Business. UBS offers a referral program for property and casualty insurance, high-limit disability insurance, certain life insurance products and products for certain international clients, pension risk transfer services, and Medicare supplemental insurance plans. Under these programs, a Financial Advisor refers a client to a third party general agency ("General Agency") or other third party firm ("Third-Party Firm") that sells the insurance or annuity policy directly to the client. The General Agency or Third-Party Firm then pays UBS a portion of the commission it receives from the insurance company that issues the policy or the fee that the Third-Party Firm receives from the client (the "Referral Fee"). The fees and charges paid by clients, as well as the Referral Fee paid to UBS, will differ based on the type of policy and a variety of other factors. Financial Advisors receive a portion of the amounts UBS receives based on the grid rate applicable to them. Clients will receive disclosures from their Financial Advisor when a referral is going to be made.

Item 15. Financial Information

UBS Financial Services Inc. is a qualified custodian (as defined in SEC Rule 206(4)-2. As a result, we have not included the balance sheet required under the "Financial Information" of this Form ADV.

As of the date of this Brochure, there is no financial condition that is reasonably likely to impair our ability to meet our contractual commitment to our clients.

Our Firm has not been the subject of a bankruptcy petition at any time during the last ten years.

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