



Understanding our fees, charges and other compensation

January 2018

Important information about

- How we are paid by you
- Payments we receive from third parties
- How your Financial Advisor is compensated
- Conflicts of interest resulting from our compensation structures

The information in this brochure is updated as of January 2018.
UBS reserves the right to change its programs, fees and payment(s) (or payment structures) at any time.

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Related documents and web pages

Title	Web address
Conducting Business with UBS	ubs.com/workingwithus
Account information and disclosures	ubs.com/accountdisclosures
Revenue Sharing, Networking/Omnibus Fees and Non-Cash Compensation	ubs.com/mutualfundrevenuesharing
Understanding your variable annuity	ubs.com/vadisclosure
Annuity revenue sharing and non-cash compensation in brokerage accounts	ubs.com/va-revenuesharing
UBS Select for Corporate Retirement Plans Platform	ubs.com/ubsselectdisclosure
UBS credit and debit cards	ubs.com/uscards
Commission schedules	ubs.com/commissions
Understanding mutual fund share classes, fees and certain risk considerations	ubs.com/mutualfunddisclosure
Understanding unit investment trusts	ubs.com/uitdisclosure
Best Execution of equity securities	ubs.com/bestexecution
Order Routing Disclosure	ubs.com/orderroutingdisclosure
Important Information and Disclosures for Retirement Plans Working with UBS Financial Services Inc.	ubs.com/retirementplandisclosures
Important information about structured products	ubs.com/spkeyrisks

Material changes made between June 2017 and January 2018

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About our fees, charges and other compensation—general

Our goal is to make sure our clients are informed about the costs of the various investment products and services that we offer, which is why we publish this overview of our fees and how we generate revenue.

Topics that are covered in this overview include:

- Sources of revenue to the firm
- Compensation and fees for our products and services
- Financial Advisor compensation
- Conflicts of interest

Brokerage and advisory services

As a UBS Financial Services Inc. client, you benefit from the broad scope of services and resources of a leading global financial services firm, whether we serve you as a broker-dealer, investment advisor or both. While there are similarities between the brokerage and advisory services we provide, there are important differences, including the pricing structures for these services. For detailed information regarding the distinctions between brokerage and advisory services, please visit our website at ubs.com/workingwithus. This information is also included in the disclosure materials we provide to you when you open an account(s) at UBS, or in the “Agreements and Disclosures” booklet, which can be found at ubs.com/accountdisclosures.

Brokerage relationships generate transaction-based compensation. In brokerage relationships:

- Investors pay fees and costs in connection with the products and services they receive, such as buying and selling stocks, bonds, mutual funds, annuity contracts and other investment products, as well as trading and exercising options.
- Compensation to UBS may include commissions, sales concessions, transaction fees, sales charges or expenses that are embedded in the purchase price as well as compensation from third parties in some cases.

Advisory relationships have fee-based compensation. In advisory relationships:

- Clients pay a set fee or a fee based on a percentage of the assets in the account according to an investment advisory program agreement.
- In some circumstances, UBS, our Financial Advisors and our affiliates receive additional compensation from third parties in connection with the assets in clients’ advisory accounts. This compensation is in addition to the fee that a client pays for investment advisory services. UBS may also receive compensation as a result of intercompany profit sharing and servicing agreements. For certain alternative investments in advisory accounts, the compensation may also include performance fees.

Pricing of products and services

Clients may purchase many of our products and services in either transaction-based or fee-based accounts, or a combination of both.

Factors that may affect pricing. It may be difficult to compare transaction-based and fee-based options solely on the basis of price. You may pay more or less in a fee-based program than you might otherwise pay if you purchased the products and services separately. The costs of a brokerage relationship or fee-based (advisory) relationship vary depending upon a number of factors, including:

- Product and service preferences
- Size and value of your account(s)
- Mix of products you hold
- Frequency with which you trade
- Administrative or management fees associated with the products or services you purchase

Please consider the costs and services associated with each option carefully and speak with your Financial Advisor about which approach is most appropriate for you.

Important information for Qualified Retirement Plan Fiduciaries holding accounts at UBS

This document, in conjunction with other documents and disclosures we provide to you, are intended to meet the disclosure requirements of the U.S. Department of Labor's regulations under ERISA Section 408(b)(2). If you are a retirement plan fiduciary and have questions or need additional information, please see the important information at ubs.com/retirementplandisclosures or contact your Financial Advisor who will provide you with written copies of these disclosures upon request.

Sources of revenue

Our firm earns revenue from our clients, from our affiliates, and, for some products and services, from third parties, including product vendors, underwriters and investment managers whose products and services are purchased by clients.

Revenue received from clients

In general, our firm receives revenue from clients in the following ways:

- Commissions charged to clients in connection with the purchase or sale of investment products
- Markups (increases) and markdowns (reductions) on the price of equities and fixed-income products, where the firm acts as principal in purchasing or selling securities for or from UBS's inventory
- Asset-based and other fees for our investment advisory programs and services
- Interest on loan accounts
- Administrative fees such as account maintenance fees
- Sales loads, commissions or fees for various financial products, such as mutual funds, alternative investment funds, structured products, unit investment trusts (UITs), insurance and annuities

Revenue received from clients is debited from accounts unless stated or agreed to otherwise.

Revenue from third parties (including affiliates)

In addition to revenue that we receive from clients, UBS earns revenue from third parties and affiliates in the following ways:

- Issuers or underwriters of new issue securities pay us fees and/or offer underwriting discounts or share fees with us in certain cases
- Mutual fund and insurance companies pay us for offering and placing their products, and many of them also pay us for marketing support, known as revenue sharing, which is based on our total sales of and/or total client assets in their products
- Mutual fund companies pay recordkeeping and account servicing fees for processing services we provide in accounts held at UBS
- Insurance and annuity companies compensate us for the costs of establishing and maintaining their products in our distribution system
- For some alternative investment funds that are managed by third-party and affiliated investment advisers, we receive fees for distribution, shareholder services or solicitation services, or a combination of the three
- Third parties providing investment advisory or investment management services may pay us fees, which may be a recurring fee, a one-time fee, a portion of the third party's fees or revenues or as otherwise agreed with the third party, for solicitations, referrals or client services
- Third parties with whom we offer co-branded programs, such as the UBS Donor-Advised Fund or to which we make certain loan referrals, pay referral fees to us
- Underwriters of securities compensate us for trading activities we provide on their behalf
- Third-party UITs pay volume-based fees for the sale of their products to our clients
- Companies that issue investment products (e.g., mutual funds, UITs, exchange traded funds (ETFs), NextShares, insurance companies, investment advisers and other third parties) pay for educational programs and seminars for employees and clients
- Affiliate lenders pay us fees for various loan servicing, collateral monitoring and marketing services. These fees can be in the form of revenue splits between affiliates.
- Unaffiliated third-party lenders pay us referral fees for certain client referrals for loan transactions

Additional information regarding revenue sharing for mutual funds and for insurance and annuities can be found at ubs.com/mutualfundrevenuesharing and ubs.com/va-revenuesharing.

A number of companies that issue investment products that we offer to and place with our clients enter into agreements to pay UBS an annual fee ranging from \$150,000 to \$300,000 for receipt of data and analytics relating to all Financial Advisors and their sales of investment products. Participation by vendors in this program is optional and is not considered by UBS in determining whether a company's products will be made available to clients.

Revenue to affiliates

When you conduct business with us, our affiliates—including UBS Asset Management, UBS Bank USA, UBS Financial Services Incorporated of Puerto Rico, UBS Trust Company of Puerto Rico, UBS Limited, London and UBS Investment Bank—may earn compensation through activities in a client's account, including:

- The purchase of securities underwritten by a UBS affiliate
- Buying securities directly from or selling securities directly to UBS or one of our affiliates
- Management or other fees in conjunction with mutual funds or other investments purchased that are structured or managed by one of our affiliates
- Management fees earned through investments in a separately managed account managed by UBS or an affiliated investment manager
- Borrowing or maintaining credit with one of our affiliates
- Depositing or investing free credit balances into accounts with affiliated entities
- Revenue from referrals and introductions
- Trading and hedging activities related to structured products and Exchange Traded Notes (ETNs)
- Collecting licensing fees from mutual fund, ETF, ETN, structured product and other product providers for indexes or strategies owned by a UBS affiliate

Our affiliates typically pay us for referring or introducing clients or investors to them. Likewise, we typically pay our affiliates for referring certain clients and business opportunities to our Financial Advisors. Third parties to whom we introduce clients, including investment managers and investment banks, typically pay us a referral fee.

Referral payments can be based on a percentage of the revenue received or as otherwise agreed between the affiliates or with the third party. Depending on the type of referral, payments can be made over several years. These payments will not result in additional charges to clients.

Correcting trading and other errors

We have procedures for resolving trading and other errors that may occur from time to time. UBS maintains one or more error accounts to facilitate handling trading and other errors. Gains attributable to trading errors will be offset by losses attributable to other errors in these error accounts. At the end of the calendar year, any net gains in the error account are donated to charity.

Compensation attributable to float on uninvested cash

UBS benefits from deposits and credits to your account(s) before cash balances are invested or swept into the UBS Deposit Account Sweep Program or other sweep option (usually the next business day). This benefit may be in the form of income at the prevailing market rates on overnight investments (ranging for 2017 from 0.30% – 1.20%). The rate for December 2017 averaged 0.94% and will fluctuate with interest rates. In some cases, the benefit is in the form of not needing to borrow from an affiliate to meet daily liquidity needs (the prevailing rate is 1.25%). UBS does not receive this benefit for retirement accounts.

Financial Advisor compensation

In general, we pay our Financial Advisors cash compensation consisting of two components: a guaranteed monthly minimum draw required by applicable law, and a production payout if it exceeds the monthly minimum draw. The production payout is a percentage (called a payout or grid rate) of the product-related revenue (called production) that each Financial Advisor generates during that month with respect to the clients he or she serves, minus certain adjustments that are specified by our Financial Advisor Compensation Plan. The payout or grid rate is generally based on production levels and ranges from 28% – 50%, but may be reduced or eliminated in certain circumstances. Financial Advisors working as part of a team that meets minimum production requirements can qualify for a higher grid rate (but not above 50%) than they would receive working as an individual.

For our Investment Advisory Programs (asset-based fee programs), the payout rate is applied to the program fees credited to the Financial Advisor by the firm, but the payout may be reduced for accounts priced below certain thresholds. Advisory accounts in relationships with assets over certain thresholds may have customized pricing and payouts as approved by the firm.

We reduce or terminate the payouts described above to Financial Advisors in connection with accounts they service that do not meet certain prescribed asset levels on a household basis or for transactions or fees below specified amounts.

The standard compensation structure creates financial incentives for Financial Advisors to encourage clients to purchase multiple products and services and to choose a payment structure for products and services that generates greater compensation.

Financial Advisors also may receive certain awards based on their production, length of service with UBS and net new business. The Retirement Account Production (described below) will also apply to the annual awards.

Under certain circumstances (e.g., acquisitions and recruitment or particular programs or designations such as the Wealth Advice Center, Wealth Planning Analyst, New Financial Advisors, Institutional Consulting and Retirement Plan Consulting Services), some Financial Advisors or producing Branch Managers may be compensated differently.

A small group of Financial Advisors who primarily conduct insurance business and who are grandfathered as part of a UBS insurance program also receive a payout of 75% of amounts paid to UBS by the general agent for the sale of certain insurance products—currently, permanent and term insurance.

Production for Retirement Plans and to Address the Current Department of Labor Fiduciary and Conflict of Interest Regulation (effective June 9, 2017)

Instead of calculating a Financial Advisor's compensation based on the current revenue generated by such accounts (for example, advisory fees, commissions and sales credits), the production for retirement accounts for each Financial Advisor are subject to a calculation of the "Retirement Account Production" as follows:

- Effective January 1, 2018, subject to minimum and maximum thresholds, the Retirement Account Production rate for each Financial Advisor is a percentage calculated using the revenues generated between October 1, 2016 and September 30, 2017 and the average assets of their open retirement accounts as of September 30, 2017. IRA account fees and Financial Advisors' own retirement accounts are excluded from the calculation.
- The Financial Advisor's personal Retirement Account Production rate is applied to all of his or her retirement accounts held at UBS at the end of each month to determine the retirement account production.
- The calculations above may vary, at the firm's discretion, for Financial Advisors new to the firm. Retirement account production for Financial Advisors hired after June 9, 2017 is based on the information about the Financial Advisor's production and revenues disclosed to UBS at time of hire.
- The Retirement Account Production described above will also be used to determine the annual awards.

The production derived from the Retirement Account Production rate and ultimately the compensation Financial Advisors receive in connection with retirement accounts after June 9, 2017, may be higher or lower than Financial Advisors may otherwise be eligible to earn under our standard compensation calculations for taxable accounts.

This difference in compensation creates an incentive for Financial Advisors to recommend an increase in assets in retirement accounts and an incentive for Financial Advisors to focus on increasing the transaction or fee-based revenue in taxable accounts.

The Retirement Account Production calculation described above does not apply to Financial Advisors in the Wealth Advice Center or to brokerage and advisory retirement accounts where assets are held away from UBS, or accounts in the Retirement Plan Consulting Services Program (RPCS) and the Institutional Consulting (IC) and the Outsourced Chief Investment Officer (OCIO) Programs.

With respect to retirement account clients enrolled in the IC or OCIO programs, who also have brokerage accounts at UBS or accounts opened in another investment advisory program at UBS, including those that may have been included in IC Program services only as an accommodation, the production payout rate for the Financial Advisor related to the IC or OCIO relationship will generally be applied to all retirement assets and accounts the client has at UBS. However, on an exception basis, the production payout rate for the Financial Advisor may be the weighted average production rate generated by that client's retirement accounts at UBS during the period October 1, 2016 to September 30, 2017.

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

Many Financial Advisors who joined UBS prior to November 1, 2016 are eligible to receive incentives, including loans, bonuses and/or other compensation, if they reach certain asset and/or production levels or other targets. The amount paid to Financial Advisors under these arrangements is largely based on the size of the business serviced by the Financial Advisor at their prior firm and the Financial Advisor achieving a minimum percentage of their prior firm production and asset levels within a specific time period after joining UBS.

These payments may be substantial and may take various forms, including salary guarantees, loans, transition bonus payments and various forms of compensation to encourage Financial Advisors to join UBS, and are contingent on your Financial Advisor's continued employment. Therefore, even if the fees you pay at UBS remain the same or may be reduced, the transfer of your assets to UBS may 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.

Recruiting offer letters issued by UBS after November 1, 2016 do not include recruitment incentives triggered by production, asset levels or other targets at UBS regardless of account type. Effective after June 9, 2017, for purposes of all existing arrangements including those entered into prior to November 1, 2016, production for retirement accounts will be calculated based on the applicable Retirement Account Production rate described above.

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.

Wealth Planning Analyst compensation: Wealth Planning Analysts do not receive production payouts described above and do not qualify for awards or recognition programs described below in *Additional Compensation*. Wealth Planning Analysts receive base compensation and they are eligible for discretionary incentive compensation, which is based on the performance of the firm in general, as well as their individual performance.

New Financial Advisor compensation: New Financial Advisors in the Development Program ("NFA" or "Financial Advisor Associates") are eligible for a 48-month compensation structure that combines base compensation, production payout and potential awards. Production payout is based on a payout rate that is applied to the production credited to the NFA, and there is a minimum grid rate of 35%. NFAs in the Development Program with firm-determined and approved production start dates after June, 1, 2018, have a minimum grid rate of 35%.

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

Compensation from the sale of investment products

In general, our Financial Advisors are compensated from the following sources of revenue:

- Commissions charged to clients in connection with the purchase, or sale, of equities, fixed income products and other investments such as structured products
- Markups (i.e., an increase) and markdowns (i.e., a reduction) on the price of purchases and sales of equities and fixed income products, where the firm acts as principal, which means the securities were purchased for, or sold from, UBS's inventory
- Underwriting concessions in connection with products sold in initial offerings; Financial Advisors generally earn more for products sold in initial offerings than for those purchased and sold in secondary offerings
- Asset-based fees and hard-dollar fees charged in connection with our investment advisory programs and financial planning services
- Interest on loan accounts
- Production credit for mortgage origination based on the amount of the mortgage loan
- Sales loads, commissions and 12b-1 fees for various financial products such as mutual funds, NextShares, offshore funds, alternative investment funds, unit investment trusts, insurance and annuities
- Referral fees and/or production credits for referrals to UBS affiliates, other employees and third parties, including referrals and/or transfers to the UBS Financial Services Inc. Wealth Advice Center
- A portion of the management and performance fees the firm receives in connection with the distribution of alternative investments

Non-cash compensation

We and our Financial Advisors may receive non-cash compensation from mutual fund companies, investment managers, UIT sponsors, annuity providers, insurance vendors and sponsors of products (including ETFs and NextShares) that we distribute. This compensation may include the following:

- Occasional gifts up to \$100 per vendor per year
- Occasional meals, tickets or other entertainment of reasonable and customary value
- Sponsorship support of educational or training events (which may include educational events Financial Advisors arrange for clients and prospects) and seminars and/or payment of expenses related to training and education of employees, which can (and often do) include a non-training element of the event
- Various forms of marketing support and, in certain limited circumstances, the development of tools used by the firm for training or recordkeeping purposes

The receipt of cash and non-cash compensation from sources other than clients, and the differences in which we compensate Financial Advisors for the products we offer, create an incentive for Financial Advisors to recommend certain products over others. We address these conflicts of interest by maintaining policies and procedures on the suitability and supervision of the advisory programs and services we offer to you, and by disclosing our practices to ensure you make a fully informed decision.

Additional compensation

Financial Advisors are generally eligible to qualify for strategic objective awards and recognition programs, which are based on production, length of service at the firm and net new assets brought to the firm by the Financial Advisor. These awards are subject to various caps and deferrals. Additionally, we may reduce or deny any such awards for any reason at our discretion.

- **Net New Business Award.** This award is granted to Financial Advisors based on their year-end result for net new business, subject to minimum requirements and overall caps, and can include assets in certain accounts referred by Financial Advisors to the Wealth Advice Center. The Net New Business Consulting Award for IC/RPCS consultants and contracts that meet certain qualifications may be higher than the Net New Business Award paid for non-IC/RPCS business. Consultants who do not qualify for the Consulting Net New Business Award will still be eligible to receive the Net New Business Award otherwise available to Financial Advisors. Consultants who do qualify for the Consulting Net New Business Award will **not** also receive the Net New Business Award otherwise available to Financial Advisors.
- **UBS Length of Service Award.** This award is based on a Financial Advisor's current year production and length of service with UBS. It is subject to minimum production and length of service requirements.
- **The payment structure of the awards generally consists of deferred cash awards paid annually over a specified timeframe, and restricted equity/notional shares subject to the plan's vesting schedule, or some combination thereof. Total awards below a certain threshold will be paid in cash. Financial Advisors who meet minimum award thresholds may be eligible to receive a loan based upon a percentage of their total strategic objective awards. If Financial Advisors leave the firm before the term of the loans ends, they must pay back any outstanding loan balance.**

The Retirement Account Production described above will apply to the annual awards.

The recognition programs and awards include the following:

- **Recognition Councils.** At UBS, there are four Recognition Councils for top-performing Financial Advisors. They are Pinnacle Council, Chairman's Council, President's Council and Director's Council. Membership is based on a combination of production and net new asset rankings and other eligibility factors set by the firm, including disciplinary history and compliance with firm rules, standards and policies. Recognition Council members participate in training and education events that may involve travel paid for by the firm.
- **The Expense Allowance program.** Recognition Council members and other Financial Advisors with a minimum production level are generally eligible to participate in the Expense Allowance Program, which provides an expense allowance for the purpose of promoting business. The amount of the expense allowance awarded is based on production level and Recognition Council Membership.
- **Aspiring Legacy FA program.** Subject to specific program requirements, Financial Advisors with minimum production and length of services requirements who are leaving the financial services industry and transition their client relationships to other UBS Financial Advisors can earn production on transitioned accounts over a specified period, and may qualify to receive an up-front cash loan and annual cash transition payments.

Compensation to Financial Advisors in the UBS Wealth Advice Center

UBS Wealth Advice Center Financial Advisors receive an annual fixed salary, are eligible to receive an annual discretionary incentive compensation award and have the ability to earn quarterly incentive awards. This UBS Wealth Advice Center incentive compensation plan is operated in UBS's sole and absolute discretion and may be amended or discontinued at any time.

- **Annual Discretionary Incentive Compensation Award:** Eligibility and potential payout for the annual discretionary compensation award is calculated by taking into account a Financial Advisor's performance under the UBS Wealth Advice Center compensation plan and UBS's overall performance.
- **Quarterly Incentive Award:** UBS Wealth Advice Center Financial Advisors who meet specific criteria are eligible to earn quarterly incentive awards. Potential payout for qualifying Financial Advisors is determined in part by using a formulaic evaluation of multiple criteria, which includes production credits.

Production credits for brokerage accounts vary by product-type and are based on the purchase of a limited set of specified products, including mutual funds, fixed income and exchange traded funds. (Note: For fixed income, credits are also applied for the sale of positions.) For investment advisory accounts, production credits are determined by using a formulaic calculation that includes transactions within an account, the funding of new accounts and/or assets transferred into UBS.

Financial Advisors in the Wealth Advice Center receive more production credits for investment advisory accounts than for other products or transactions. This creates a conflict of interest and an incentive for Financial Advisors to recommend advisory accounts over other products, services and transactions.

UBS Wealth Advice Center clients may participate in the Managed Portfolio Program, PACE Multi and PACE Select. New enrollments are limited to the Managed Portfolio Program; however, clients already enrolled in PACE Multi or PACE Select are permitted to enroll in a subsequent account in that program. UBS Wealth Advice Center clients will be able to enroll and participate in the UBS Advice Portfolio Program, which is expected to be available early in 2018.

Production for Retirement Plan and IRA accounts: As of July 1, 2017, the production credits Financial Advisors in the Wealth Advice Center accumulate on retirement accounts (both brokerage retirement accounts and investment advisory retirement accounts) held at UBS will be awarded equally across all product types.

The compensation Financial Advisors receive in connection with these accounts may be higher or lower than Financial Advisors may otherwise be eligible to earn under our standard compensation calculations for taxable accounts. Additionally, while a Financial Advisor's compensation will be consistent across all products affected in retirement accounts as of July 1 2017, Financial Advisors will be paid differently in retirement accounts versus taxable accounts, which could impact Financial Advisor recommendations. For retirement accounts (brokerage and advisory), the amount of production credits earned by a Financial Advisor will increase as the number of transactions increases.

This change applies to all Financial Advisors in the UBS Wealth Advice Center who meet specific criteria and are eligible for the quarterly incentive program, but excludes retirement accounts held away from UBS.

Additional information for Qualified Retirement Plan Fiduciaries Non-cash compensation received by Financial Advisors

If Financial Advisors receive non-cash compensation worth \$50 or more that is attributable to a particular retirement plan client, it will be reported to that client on the Form 5500 Schedule C disclosure materials (Schedule C disclosure is generally provided to clients with both more than 100 participants and from whom we've received greater than \$5,000 in compensation). Non-cash compensation received by Financial Advisors must be consistent with the rules of FINRA and other regulators, and UBS non-cash compensation policies.

About our fees, charges and other compensation—by product

The tables that follow offer an overview of the compensation UBS receives for the wide variety of products and services that our clients typically purchase in a brokerage account with UBS. Some of the fees described are charged by UBS, while others are charged by third parties, such as mutual fund and insurance companies. Some of this compensation is paid to UBS by clients and other compensation is paid to UBS by third parties.

The table contains specific fees or ranges depending on the product. The amount you pay may be affected by factors such as your account or portfolio size, your mix of assets and liabilities, and your level of trading.

Financial Advisors receive compensation for the products described below except where it is noted that they will not or may not receive compensation. Notwithstanding the disclosure below, please review “Financial Advisor compensation” above for a description of how Financial Advisors will be compensated with respect to Retirement Accounts.

If you believe that a product or service we may provide you is not covered in this guide, please contact your Financial Advisor.

Annuities and insurance

Description	Fees and charges paid by clients	Compensation received from third parties
Fixed, immediate and fixed indexed annuities		
<p>Fixed annuities are contracts issued by insurance companies that guarantee a fixed interest rate for a specified period of time.</p>	<p>Clients make a premium payment and, depending on the terms of the annuity, may also pay additional annual fees, including premium taxes and fees for optional riders, which are provisions that may be added to an insurance policy to increase or limit benefits the policy otherwise provides. These fees are generally deducted from the annuity contract value. If the annuity is surrendered before a designated period of time, the client will generally have to pay the insurance company a surrender fee specified in the contract (the amount is reduced over time). All amounts payable to the insurance company are disclosed in the annuity contract.</p>	<p>UBS receives commissions for the sale of an annuity from the insurance company issuing the annuity. No part of the commission paid to UBS is paid by the client. UBS Financial Advisors receive a portion of the commissions paid by the insurance company.</p>
<p>Immediate annuities are contracts issued by insurance companies that are purchased by the client with a single investment for which income payments begin within one year of the contract date.</p>		<p>Insurance companies pay UBS:</p> <ul style="list-style-type: none"> – A commission in the first year, and – Trailing (ongoing) commissions, if any, for each year the client owns the contract
<p>Fixed indexed annuities are contracts used by insurance companies where the returns are based upon the performance of an equity market index, such as the S&P 500. The principal investment is protected from losses in the equity market, subject to the solvency of the issuer, while gains add to the annuity’s returns.</p>		<p>The amount of compensation that UBS receives can vary depending upon, among other factors: (i) the duration of the product, (ii) the age of the client, (iii) the amount invested in the product, (iv) the chosen share class and/or (v) the commission option selected by the Financial Advisor. The products are designed by insurance companies to allow the Financial Advisor to choose among various commission structures, which generally provide that if a commission option pays a greater first-year commission, it will pay a lesser trail commission (and vice versa).</p>
<p>For more information, please refer to the annuity contract.</p>		

Description	Fees and charges paid by clients	Compensation received from third parties
		<ul style="list-style-type: none"> <li data-bbox="1047 220 1481 674">– For fixed annuities, the first-year commission is usually between 1.50% – 4.00% of the initial client’s investment, with an annual trailing commission of up to 0.25% of the total value of the annuity assets. Certain fixed annuities with long-term care insurance benefits (sometimes known as “hybrid products”) pay a first-year commission between 1.00% – 7.00% of the client’s initial investment, with an annual trailing commission of up to 1.00% of the total value of the annuity assets. <li data-bbox="1047 674 1481 856">– For fixed indexed annuities, the first-year commission is usually between 1.00% – 5.00% of the client’s initial investment, with an annual trailing commission of up to 1.0% of the total value of the annuity assets. <li data-bbox="1047 856 1481 1039">– For immediate annuities, the first-year commission is usually between 0.75% – 4.00% of the client’s initial investment, and usually has no annual trailing commission. <p data-bbox="1047 1073 1481 1346">UBS charges a one-time establishment fee to insurance companies to offset the cost of setting up insurance companies on our platform. These expenses may include marketing costs, system costs, due diligence costs or administrative costs. No part of the establishment fee is paid to Financial Advisors.</p> <p data-bbox="1047 1379 1481 1959">In addition, UBS receives revenue sharing on annuity sales and annuity assets. UBS receives up to 0.20% of the initial premium amount on the sale of fixed deferred annuities, fixed index annuities, single premium immediate annuities and deferred income annuities. We also receive quarterly persistency payments of up to 0.10% annually of the assets attributable to certain annuity products sold by us but that remain with the insurance company for an agreed period, generally five or more years. These persistency payments are not applicable to any products currently sold on the UBS platform. This revenue sharing compensation is not paid to Financial Advisors.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
Variable annuities		
<p>Variable annuities are contracts issued by insurance companies into which the buyer makes a lump-sum payment or series of payments. In return, the insurer agrees to make periodic payments beginning immediately or at some future date. The client's premiums are paid to the issuing insurance company.</p>	<p>Clients make an initial premium payment to the issuing insurance company and, depending on the terms and share class of the annuity, pay additional annual fees, including mortality risk and expense charges, administrative fees, investment management fees, premium taxes and fees for optional features. These fees are generally deducted from the annuity contract value.</p>	<p>UBS receives commissions for the sale of a variable annuity from the insurance company issuing the annuity. No part of the commission paid to UBS is paid by the client. UBS Financial Advisors receive a portion of the commissions paid by the insurance company.</p>
<p>At the client's direction, the insurer allocates the client's premium payments to a range of investment options, such as sub-accounts, which are similar to mutual funds, or directly into the general account of the insurance company that manages the portfolios. The value of the account during the accumulation phase and the payments after annuitization vary, depending on the performance of the investment options chosen. Variable annuities can be issued individually or as group annuities.</p>	<p>If the annuity is surrendered before a designated period of time, the client may be required to pay the insurance company a surrender fee specified in the contract (the amount is reduced over time).</p>	<p>Insurance companies pay UBS:</p> <ul style="list-style-type: none"> – A commission in the first year, and – Trailing commissions, if any, for each year the client owns the contract.
<p>Group variable annuities are contracts issued by insurance companies to businesses or other eligible organizations, often as funding vehicles for qualified and nonqualified retirement plans.</p>	<p>All amounts payable to the insurance company are disclosed in the annuity contract and prospectus.</p>	<p>The amount of compensation that UBS receives can vary, depending upon, among other factors: (i) the duration of the product, (ii) the age of the client, (iii) the amount invested in the product, (iv) the chosen share class, and/or (v) the commission structure selected by the Financial Advisor. The products are designed by insurance companies to allow the Financial Advisor to choose among various commission structures, which generally provide that if a commission option pays a greater first-year commission, it will pay a lesser trail commission (and vice versa).</p>
<p>For more information, please refer to the applicable variable annuity contract and prospectus.</p>		<p>UBS offers three variable annuity share classes (B, L and C) on its platform, none of which require the client to pay an upfront fee at the time the annuity is purchased.</p>
<p>For more information, refer to our <i>Understanding Your Variable Annuities</i> brochure at ubs.com/vadisclosure.</p>		<ul style="list-style-type: none"> – For Class B shares, the first-year commission to UBS is usually between 1.00% – 5.00% of the client's initial investment, with an annual trailing commission of up to 1.00% of the total value of the annuity assets. – For Class L shares and Class B shares with a Liquidity Rider, the first-year commission to UBS is usually between 2.00% – 5.00% of the client's initial investment, with an annual trailing commission of between 0.40% – 1.00% of the total value of the annuity assets. – For Class C shares, the first-year commission to UBS is usually
<p>For information on group annuities used as a qualified plan solution, please refer to the UBS Select for Corporate Plans disclosure at ubs.com/ubselectdisclosure.</p>		

Description	Fees and charges paid by clients	Compensation received from third parties
		<p>between 1.00% – 2.00% of the client’s initial investment, with an annual trailing commission between 0.60% – 1.00% of the total value of the annuity assets.</p> <p>UBS charges a one-time establishment fee to insurance companies to offset the cost of setting up insurance companies on our platform. These expenses may include marketing costs, system costs, due diligence costs or administrative costs. No part of the establishment fee is paid to Financial Advisors.</p> <p>In addition, UBS receives revenue sharing on annuity sales and annuity assets. None of the revenue sharing amounts are paid to the Financial Advisor.</p> <p>UBS receives up to 0.20% of the initial premium amount on the sale of variable annuities.</p> <p>UBS receives up to 0.10% of the annuity asset of variable annuities, excluding the fixed assets within the variable annuities. We may also receive quarterly persistency payments of up to 0.10% annually of the assets attributable to certain annuity products sold by us, but that remain with the insurance company for an agreed period, generally five or more years. These persistency payments are not applicable to any products currently sold on the UBS platform.</p> <p>UBS does not receive revenue sharing on group variable annuity contracts on ERISA-covered plans. The first-year commissions on group variable annuities may be up to 2% of the group variable annuity investment and annual trailing commissions from 0.25% – 1.00% of the total value of the group variable annuity assets.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
Disability, life and long-term care insurance		
<p>Insurance companies issue disability income, life and long-term care insurance policies to cover the risk of loss due to disability, death or the need for long-term care.</p>	<p>The amount of the premium that clients pay depends on a variety of factors, including the level of coverage, the client's age and the optional riders selected, i.e., provisions that may be added to an insurance policy to increase or limit the benefits that the policy otherwise provides.</p>	<p>UBS receives commissions for the sale of an insurance product directly from the insurance company issuing the policy. No part of the commissions paid to UBS is paid by the client. UBS Financial Advisors receive a portion of the commissions paid by the insurance company.</p>
<p>Life insurance contracts may be fixed or variable. A variable policy provides death benefit protection and the potential to accumulate cash value through the underlying investment options.</p>	<p>Depending on the type of life insurance policy, clients may be subject to a surrender charge if the policy is surrendered (either partially or in full), or the policy lapses and is not reinstated within the allowable timeframe. Surrender charges are based on a variety of factors, including the number of years a policy has been in force, its cash value and death benefits.</p>	<p>The amount of the initial sales commission, or first-year commission, paid to UBS varies, and is based upon the product, policy structure and the terms of the contract. For disability income policies, the first-year commission ranges from 35.00% – 50.00% of the premium. For traditional long-term care policies, the first-year commission ranges from 38.25% – 59.5% of the premium. For life insurance policies, the first year commission ranges from 6.5% – 85% of the target premium and from 1.00% – 3.00% of the premium in excess of the target premium.</p>
<p>For more information, please refer to the insurance policy.</p>		<p>UBS will also receive renewals, commissions and/or asset-based cash accumulation values or a combination of both. Renewal commissions are generally between 1.00% – 3.00% starting in year two, and generally last between two years and 10 years, depending upon the product.</p>
		<p>UBS does not receive revenue sharing on disability income, life and long-term care insurance policies.</p>

Referral Insurance Business

<p><i>Description:</i> UBS offers a referral program for property and casualty insurance, certain life insurance products and products for certain international clients. A Financial Advisor may refer a client to a third-party general agency ("General Agency") who sells the insurance policy directly to the client. The General Agency then pays UBS a portion of the commission they</p>	<p>For High Limit Disability policies, the amount of the premium that the client pays depends on a variety of factors, including the occupation, coverage sought and the benefits the client elected.</p>	<p>For High Limit Disability policies, Referral Fees are paid to UBS from the General Agency. UBS receives from 12% – 25% of the premiums in all years the client pays these premiums—typically three to five years. UBS Financial Advisors receive a portion of the Referral Fee paid by the General Agency.</p>
	<p>For Property and Casualty policies, the amount of the premium is dependent on the type of coverage (Property or Casualty), amount of coverage,</p>	

Description	Fees and charges paid by clients	Compensation received from third parties
receive from the insurance company that issues the policy (the "Referral Fee").	deductible and the length of coverage. For referral life insurance products, the amount of the premium that clients pay depends on a variety of factors, including the level of coverage, the client's age and the optional riders selected, i.e., provisions that may be added to an insurance policy to increase or limit the benefits that the policy otherwise provides.	<p>For Property and Casualty policies, the Referral Fees are paid to UBS from the General Agency. The Referral Fees range from 10% – 20% of what the General Agency receives as commissions for each year the client pays a premium. UBS Financial Advisors receive a portion of the Referral Fee paid by the General Agency.</p> <p>For referral life insurance products, the Referral Fees are paid to UBS from the General Agency. UBS receives 50% of what the General Agency receives for first-year premiums, and excess and renewal commissions in years two and thereafter. UBS Financial Advisors receive a portion of the Referral Fee paid by the General Agency.</p>

Banking products

Description	Fees and charges paid by clients	Compensation received from third parties
Credit lines		
Variable or fixed-rate credit lines, which are primarily issued by UBS Bank USA, a UBS affiliate, are loans that may not be used to purchase, trade or carry securities. These loans are secured by securities pledged by clients and/or a third party.	<p>Clients repay the principal balance and interest on outstanding balances to UBS Bank USA.</p> <p>For variable-rate loans, clients may repay the principal at any time without prepayment fees.</p>	<p>UBS receives an annual fee from UBS Bank USA in an amount equal to 0.14% of the average monthly credit line loan balances for various loan servicing, collateral monitoring and marketing services provided by UBS and its affiliates.</p>
For more information, please refer to the Credit Line Agreement with UBS Bank USA or another UBS affiliate (e.g., UBS Credit Corp. and/or UBS).	<p>For fixed-rate loans, clients may be subject to prepayment fees (as described in the loan documents) if the loan is repaid before the end of the fixed-rate contract.</p> <p>Interest rates are stated in the Credit Line Agreement with UBS Bank USA.</p>	<p>Financial Advisors do not receive compensation from UBS Bank USA on credit lines. UBS generally provides Advisors with production credits on any outstanding balances multiplied by the spread over LIBOR. Financial Advisors may receive net compensation up to 11.25% multiplied by the production credits.</p>

Margin loans

Margin loans use securities in client accounts as collateral and may be used to purchase, trade or carry securities.	<p>Clients repay the principal balance and interest on outstanding balances to UBS, and they may repay the principal at any time without prepayment fees. The interest rates for margin loans are disclosed in our Statement of Credit Practices, which is contained in our "Agreements and Disclosures" brochure available at ubs.com/accountdisclosures.</p>	<p>When a client has a margin account with UBS, as permitted by law UBS may use certain securities in the client's account for, among other things, settling short sales and lending securities for short sales. UBS will generally be compensated in connection with these transactions.</p>
<p>For more information, please refer to the Statement of Credit Practices and the Margin Agreement, which are in the "Agreements and Disclosures" brochure at ubs.com/accountdisclosures.</p>		

Description	Fees and charges paid by clients	Compensation received from third parties
	<p>Clients engaged in short selling a security may incur a charge due to certain borrowing costs for that particular security.</p> <p>Financial Advisors do not receive any portion or credit for margin interest charges or revenues.</p>	
Residential Mortgage loans		
<p>Residential Mortgage loans are loans that may be used to purchase a home, refinance an existing mortgage or for other purposes. These loans are secured by residential real property.</p>	<p>Clients repay the principal amount borrowed to UBS Bank USA plus interest. These loans generally have origination fees, application fees and/or closing costs, which are disclosed before the loan is made.</p>	<p>Financial Advisors receive compensation from UBS based on the amount of a mortgage loan.</p>
Standby Letters of Credit		
<p>Standby Letters of Credit are documents that guarantee the payment of a client's obligations to a third party for a specified period and up to a specified amount. The letters of credit are secured by securities pledged by clients and/or a third party.</p> <p>For more information, please refer to the letter of credit application and agreement.</p>	<p>Clients repay the amount drawn under the letter of credit to UBS. Clients pay an issuance fee and an annual credit fee based on the stated dollar amount of the Standby Letter of Credit. Clients may also pay additional charges during the life of the letter of credit such as drawing and amendment fees.</p>	<p>n/a</p>
International Deposit Account Program (IDA) (Used to sweep free credit balances in non-U.S. accounts)		
<p>A sweep program for individuals not residing in the United States, or entities not organized in the United States, whereby free cash balances in eligible security accounts are automatically deposited into a demand deposit account at UBS AG, New York branch, from which these balances are further swept daily into an interest-bearing deposit account at UBS AG, Cayman Islands branch.</p> <p>For more information, please refer to the UBS International Deposit Account Sweep Program Disclosure in the "Agreements and Disclosures" brochure at ubs.com/accountdisclosures.</p>	<p>Clients are not charged an additional fee for this service.</p>	<p>UBS receives a fee in an amount that does not exceed, on an annual basis, 0.5% of the total client deposit balances at UBS AG, Cayman Islands branch.</p> <p>Financial Advisors do not receive any portion of or credit for these fees.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
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Additional information for Qualified Retirement Plan Fiduciaries and IRA Owners
 The primary sweep option for Qualified Plan clients and IRA owners is the UBS Bank USA sweep program. Qualified Plan balances and IRAs above \$250,000 in deposit balances are swept either to UBS AG Stamford Branch (the default) or to a money market mutual fund, depending on the client's election. Qualified plan balances and IRAs above \$250,000 in deposit balances that are enrolled in an advisory program sweep into the UBS Liquid Assets Government Fund. Qualified Plan accounts with a pooled structure also sweep to the UBS Liquid Assets Government Fund. The UBS Liquid Assets Government Fund does not charge distribution, service or management fees.

Sweep programs for domestic accounts

A sweep program for domestic accounts is a service whereby free cash balances in eligible securities accounts are automatically deposited into interest-bearing bank deposit accounts, or invested in money market mutual funds or other sweep options, based on your eligibility and the client's sweep election.

Clients are not charged an additional fee for this service.

UBS Bank Sweep Programs

UBS receives up to \$50 from each of UBS Bank USA and UBS AG (Stamford Branch), for each securities account that has funds swept into deposit accounts at UBS Bank USA and UBS AG (Stamford Branch), respectively, through the sweep programs. Financial Advisors do not receive any portion of or credit for these fees.

For more information, please refer to the disclosure statements for the UBS Bank Sweep Programs and the UBS FDIC-Insured Deposit Program Disclosure Statement in the *Agreements and Disclosures* brochure and to the specific money fund disclosures, which are at ubs.com/accountdisclosures

UBS FDIC-Insured Deposit Program

UBS receives a fee from UBS Bank USA of up to \$50 for each securities account that has funds swept into deposit accounts at UBS Bank USA.

UBS receives a fee from each participating bank, except UBS Bank USA, equal to a percentage of the average daily deposit balance in deposit accounts at a participating bank. The fee varies from bank to bank, and may be as much as 2.5% annually on some of the deposit accounts. UBS receives compensation on uninvested cash balances in client accounts only until the cash balances are either invested by clients or swept according to client sweep elections. See description above. Financial Advisors do not receive any portion of or credit for these fees.

Benefits to UBS and its affiliates

UBS Bank USA and the UBS AG Stamford branch use the cash balances in the deposit accounts to fund new lending and investment activity. UBS Bank USA and the UBS AG Stamford branch will seek to make a profit by achieving a positive "spread," or difference, between (a) the sum of the amount of interest that

Description	Fees and charges paid by clients	Compensation received from third parties
		<p>they pay for deposits, and (b) the sum of the amount of interest that they charge for loans and the return on investments made with any deposits that they do not need to fund loans.</p> <p>Money market mutual fund sweep programs Securities accounts that are not eligible for either of the deposit sweep programs described above may sweep to a money market fund UBS and/or its affiliates may receive investment management and service fees of up to 0.45% on investments in the money market funds offered as sweep options. UBS Asset Management may receive up to 0.20% for investment management fees. Service fees in connection with money market sweep funds may be paid annually at a rate up to 0.25%. Revenue sharing payments for the money market sweep funds are paid to UBS by UBS Asset Management and will not exceed 0.12%.</p> <p>The fund transfer agent pays UBS or our affiliates up to \$1.79 per month per open account at the fund for certain transfer agent-related services. More details regarding transfer agent-related services can be found in the particular fund's Statement of Additional Information.</p> <p>Eligible accounts may sweep to other eligible money market funds managed by UBS Asset Management. Please refer to the prospectus for a particular fund for full details.</p> <p>In connection with the money market sweep funds, UBS receives service or 12b-1 fees and revenue sharing payments from UBS Asset Management related to assets in such sweep funds, with the exception of the UBS Liquid Assets Government Fund, for which no 12b-1 fees or revenue sharing are received. Service or 12b-1 fees are paid annually at a rate up to 0.15% of the fund's average daily net assets.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
		<p>A client’s Financial Advisor does not receive a portion of the 12b-1 fees or revenue sharing payments or the fees received from UBS Bank USA or the UBS AG Stamford branch for the deposit accounts.</p> <p>Puerto Rico Sweep Programs For nonretirement accounts, residents of Puerto Rico may elect to have cash balances sweep to the Puerto Rico Short-Term Investment Fund, Inc. UBS Financial Services Incorporated of Puerto Rico receives service fees from the fund and other UBS affiliates receive investment advisory and service fees.</p> <p>Financial Advisors do not receive any portion of or credit for these fees.</p> <p>Retirement plan assets use the above described sweep programs for domestic accounts—see Additional information for Qualified Retirement Plan Fiduciaries and IRA Owners.</p>
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UBS Visa credit cards		
<p>UBS Visa Signature and UBS Visa Infinite credit cards, issued by UBS Bank USA, a UBS affiliate, provide a rewards program, exclusive benefits and access to cash at ATMs and banks worldwide without fees.</p>	<p>Clients repay the principal balance and interest on outstanding balances to UBS Bank USA, and they may repay the principal at any time without prepayment fees.</p>	n/a
<p>For more information, please refer to the Cardmember Agreements.</p>	<p>Clients may pay UBS Bank USA additional fees such as an annual fee of \$495 for the UBS Visa Infinite credit card, and balance transfer fees, cash advance fees, a foreign transaction fee, and late payment and returned payment fees depending on the card product and other factors. For more information, please refer to the Cardmember Agreements, which are at ubs.com/uscards.</p>	
	<p>UBS Bank USA does not pay a portion of the interest or fees to Financial Advisors; however, such interest and fees do contribute toward calculating the applicable Financial Advisors’ payout rate schedule.</p>	

Description	Fees and charges paid by clients	Compensation received from third parties
UBS Visa debit cards		
<p>UBS debit cards, issued by UBS Bank USA, a UBS affiliate, provide a convenient and secure way to pay for purchases as well as to access cash at ATMs and banks worldwide.</p>	<p>Clients are not charged an additional fee for this service, except as provided below.</p>	<p>n/a</p>
<p>For more information, please refer to the Cardmember Agreement at ubs.com/uscards.</p>	<p>A foreign transaction fee of 3% for purchases and 2% for cash withdrawals outside the United States is charged on all foreign transactions.</p>	
	<p>UBS does not pay a portion of the fees to Financial Advisors; however, such interest and fees do contribute toward calculating the applicable Financial Advisors' payout rate schedule.</p>	

Individual securities, options and precious metals and municipal securities

Description	Fees and charges paid by clients	Compensation received from third parties
Auction Rate Securities (ARS)		
<p>Auction Rate Securities are floating rate securities with long or perpetual maturities that are re-priced periodically through a series of Dutch Auctions, i.e., an auction system in which the price is gradually lowered until it meets a responsive bid.</p>	<p>A client who sells ARS outside of a settlement offer or a non-failed auction (i.e., an ordinary secondary market sale) may pay a commission. More information on commissions is available at ubs.com/commissions.</p>	<p>n/a</p>
<p>UBS does not offer new issue ARS. For more information, please refer to the offering document.</p>		
Equity securities		
<p>Equity securities include common stock and American Depositary Receipts (ADRs).</p>	<p>Clients pay a commission* based on the quantity of shares purchased or sold and their corresponding stock prices.</p>	<p>UBS routes a significant percentage of its equity order flow to its affiliate, UBS Securities LLC. UBS Securities LLC may act as principal when executing equity trades (buying or selling from its own inventory) and consequently may make a profit or loss on the trade.</p>
Equity syndicate offering		
<p>Equity syndicate offerings include initial and secondary offerings of common stock and closed-end funds.</p>	<p>Clients pay the initial offering price and are not charged a commission.</p>	<p>UBS receives a fee/selling concession from the underwriter(s) involved in the offering, based on sales volume. The fee/selling concession is built into the initial offering price paid by the client.</p>
<p>For more information, please refer to the prospectus.</p>		

Description	Fees and charges paid by clients	Compensation received from third parties
		<p>The fee/selling concession is negotiated between the issuer and the underwriter(s) and is disclosed in the prospectus.</p>
Exchange Traded Notes (ETNs)		
<p>ETNs are debt securities that are designed to track the return of a specific market index or asset, minus investor fees.</p> <p>For more information, please refer to the prospectus.</p>	<p>Clients typically pay a commission in connection with the purchase or sale of an ETN. More information on commissions is available at ubs.com/commissions.</p>	<p>UBS and/or its affiliates may receive compensation from issuing ETNs and from trading and hedging activities related to ETNs. Compensation from issuing ETNs is disclosed in the prospectus and typically includes ongoing tracking fees that accrue on a daily basis, as well as creation and/or redemption fees that may be charged by the issuer or an affiliate for creations and early redemptions by investors, as applicable. In addition, issuers of leveraged or inverse ETNs, including affiliates of UBS, may charge financing fees that accrue on a daily basis. Any financing fees are disclosed in the applicable prospectus.</p> <p>In some instances, UBS and/or its affiliates receive a fee (sometimes called a selling concession) directly from the issuer for bringing the security to market and may receive a portion of any ongoing tracking fee charged by the issuer. These fees are disclosed in the applicable prospectus.</p> <p>Financial Advisors receive part of the selling concession, but none of the other fees or charges described in this section.</p> <p>For investments linked to the performance of an index, fees generally include licensing fees for use of the index, which may be paid to UBS and/or its affiliates for indexes owned or sponsored by UBS and/or its affiliates.</p>
Municipal securities		
<p>Municipal securities are bonds issued by states, cities, counties and other governmental entities to raise money, typically for general governmental needs or special projects.</p> <p>For more information, please refer to the offering document.</p>	<p>For new issues, clients pay the initial offering price that is approved by the issuer after a bid by, or consultation with, the underwriter.</p> <p>For municipal securities transacted in the secondary market, clients pay a markup or a markdown, which may</p>	<p>For new issues, UBS receives an underwriting discount from the issuer that is bringing the security to market or a share of the underwriting discount from a provider, such as another broker-dealer. This fee is built into the initial offering price paid by the client and generally is</p>

Description	Fees and charges paid by clients	Compensation received from third parties
	include a sales credit that varies depending on the bond type and duration. (Note that UBS may earn additional compensation in connection with certain trading-desk activities.) More information on commissions/sales credits is available at ubs.com/commissions .	disclosed in the final offering document.
Municipal variable rate demand obligations (VRDOs)		
Municipal VRDOs are debt instruments with long maturities (i.e., usually 30 years) that feature multiple interest rate modes and associated tender features, including an option to tender securities at par on seven days' notice or, in some cases, on one day's notice. For more information, please refer to the offering document.	UBS currently receives no compensation from clients for facilitating transactions in VRDOs.	UBS does not currently engage in initial sales of VRDOs. For certain secondary VRDO transactions, our provider acts as remarketing agent and is subsequently paid a remarketing fee. This provider may, but is not required to, share a portion of that fee with UBS.
Options		
Options, which include puts and calls, are securities transactions tied to the stocks, commodities, currencies or indexes that give the holder the right to buy or sell the same within a specified time frame for a defined price.	Clients pay a commission to buy or sell an option based on the number of contracts and the principal amount of the trade. More information on commissions is available at ubs.com/commissions .	The majority of options executions are handled by our affiliate, UBS Securities LLC. The balance of the order flow is handled by the options desk directly with the option execution venues (such as CBOE).
Futures		
Futures (which includes commodities futures) and options on futures.	Clients pay a commission based on the quantity of the contracts. Any fees charged for the client's futures transaction by the listing exchange are passed to the client. More information on commissions is available at ubs.com/commissions .	Futures orders are executed on the futures exchanges (e.g., the Chicago Mercantile Exchange (CME) and Intercontinental Exchange (ICE)).
Precious metals		
Precious metals, such as gold, silver, platinum and palladium, are commodities and, with the exception of certain coins, are not legal tender.	Clients pay a commission of up to 1% to buy or sell based on the quantity and type of precious metal purchased and the corresponding price of the metal. More information on commissions is available at ubs.com/commissions . Metals held in storage at a depository designated by UBS will incur applicable storage fees that are charged to the client. Storage fees can range from	n/a

Description	Fees and charges paid by clients	Compensation received from third parties
	0.00% – 0.60% annually, depending upon the depository vendor. Please contact your Financial Advisor for more information regarding these storage fee charges.	

Structured products

Structured products are unsecured obligations with a return at maturity that is linked to the performance of an underlying asset. Structured products include debt securities, obligations or certificates of deposit (CDs) issued by our affiliates and non-affiliated third parties, with returns linked to such underlying assets (or indexes thereon) as equities, commodities, foreign exchange, interest rates, credit or hedge funds.

For more information, please refer to the offering document.

For new issues, clients pay the initial offering price, which is set by the issuer. The offering price includes costs and fees associated with purchasing the security and may include selling concessions paid to UBS and structuring and hedging costs of the issuer and its affiliates. Clients are not charged additional sales charges or commissions. The offering price and a description of the costs and fees associated with a security can be found in the offering document.

For secondary issues, clients pay a sales charge that is embedded in the price of the security that is purchased or sold, i.e., a markup or a markdown, the amount of which is based on the market value of the product.

For new issues, UBS receives a fee (sometimes called a selling concession) directly from the issuer for bringing the security to market.

The selling concession is stated in the offering document.

Some structured products may also include ongoing embedded fees charged by the issuer that may or may not be shared with UBS. If the embedded fees are shared by the issuer, the amount is detailed in the offering document.

For certain structured products linked to hedge funds and funds of funds, UBS or its affiliates may receive a portion of the management fees charged by those funds as compensation. The amount is stated in the offering document. UBS or its affiliates may also receive compensation from issuing structured products and from trading and hedging activities related to structured products. This amount is unknown per security/product.

UBS or its affiliate will typically hedge products on a portfolio basis and not on a security-by-security basis. Therefore, compensation from hedging activities is calculated on an aggregate basis.

For investments linked to the performance of an index, fees generally include licensing fees for use of the index, which may be paid to UBS for indexes owned or sponsored by UBS.

Except for a portion of the selling concession as described above, none of the foregoing amounts are paid to the Financial Advisor.

Description	Fees and charges paid by clients	Compensation received from third parties
Taxable fixed income		
<p>Taxable fixed income securities include:</p> <ul style="list-style-type: none"> – Corporate bonds – U.S. Treasuries – Federal agency bonds – Mortgage-backed securities – Zero-coupon bonds – High-yield and emerging market securities – Convertible securities – Certificates of deposit (CDs) – Preferred securities – Commercial paper 	<p>For new issues, clients pay the initial offering price set by the issuer in consultation with the underwriters. The initial offering price is stated in the offering document.</p> <p>For taxable fixed income securities transacted in the secondary market, clients pay a markup or a markdown, which may include a sales credit that varies depending on the type of security and its maturity. (Note that UBS may earn additional compensation in connection with certain trading-desk activities.)</p>	<p>UBS receives a fee for new issues from the underwriter(s) who bring the security to market. This fee is built into the initial offering price paid by the client and is in the form of a portion of the gross concession or underwriting fees disclosed in the offering document.</p>
<p>For more information, please refer to the offering document, if applicable.</p>	<p>For preferred securities, the maximum sales charge is 2.00% for purchases and 1.50% for sales.</p>	
	<p>For U.S. Treasury bills, notes and bonds, and government agency securities, as well as Treasury auction transactions, an additional \$35 fee may be charged for transactions under \$100,000 in face value.</p>	
	<p>More information on commissions/sales credits is available at ubs.com/commissions.</p>	
Foreign exchange		
<p>Purchases and sales of foreign currency (including foreign exchange spot and limited forward transactions) are done through an affiliate who earns compensation on the transaction. For more information, please contact your Financial Advisor.</p>	<p>On foreign exchange spot and limited forward transactions (except for foreign exchange spot transactions in connection with a foreign currency wire), clients pay UBS a sales charge of up to 1.00% of the amount converted in U.S. dollars, depending on the size of the transaction. Our affiliate who effects foreign exchange transactions at our request for your benefit may add or subtract amounts to the prevailing market bid or offer price (whether you are buying or selling a foreign currency). How much is added is dependent upon the type of transaction and currency pair, as well as certain other factors. For fees related to foreign currency wire transfers, see the table of brokerage and administration fees located at the end of this brochure.</p>	<p>n/a</p>

Investment company products

Description	Fees and charges paid by clients	Compensation received from third parties
Mutual funds		
<p>Mutual funds are open-end investment vehicles designed to invest in a group of assets in accordance with stated investment objectives.</p>	<p>Mutual fund share classes may have an upfront sales charge or a contingent deferred sales charge (CDSC), also known as a surrender charge or back-end sales charge. Sales charges are paid to UBS, with a portion paid to your Financial Advisor, for services provided that result in the sale of a mutual fund.</p>	<p>12b-1 fees Many mutual funds pay a 12b-1 fee to UBS directly from the fund's assets. Like other fees and expenses in a mutual fund, 12b-1 fees will reduce investment returns. The exact amount varies among funds and share classes but is disclosed in the applicable fund prospectus. The typical ranges of 12b-1 fees in mutual funds we offer are as follows:</p>
<p>Many mutual funds offer several classes of shares that represent an interest in the same portfolio of securities. The principal difference among the classes is the fees and expenses charged by the mutual fund. Fees and expenses in a mutual fund reduce the net asset value of the fund and the investment return. Additionally, not all share classes are available for all account types and/or programs.</p>	<p>Upfront sales charge Upfront sales charges can range from 0.00% – 5.75% and are described in the prospectus. Many mutual funds allow for a reduction or waiver of the upfront sales charge based upon, among other things, the amount of your total investments in the particular mutual fund family, investor type, as well as the type of account in which the assets are invested (i.e., advisory). Requirements for a reduction or waiver of upfront sales charges are detailed in the prospectus.</p>	<ul style="list-style-type: none"> – A shares: 0.00% – 0.50% (most frequently 0.25%) – B shares: 0.00% – 1.00% (most frequently 1.00%) – C shares: 0.25% – 1.00% (most frequently 1.00%) – Retirement shares: 0.00% – 1.00% (most frequently 0.50%)
<p>For more information, please refer to the fund prospectus and "Understanding mutual fund share classes and fees" at ubs.com/mutualfunddisclosure.</p>	<p>Back-end sales charge These are sales charges that are applied upon redemption of mutual fund shares within a specified number of years (may vary by prospectus).</p>	<p>Networking/omnibus fees We request that all mutual fund companies on the UBS platform pay networking or omnibus fees (i.e., a consolidated trade executed once per day in order to save costs), which are determined on a per-position basis, as described below, for recordkeeping services performed for the fund by UBS.</p>
	<p>They may also be referred to as a Contingent Deferred Sales Charge or CDSC. These charges generally range from 1% – 5.5%, but typically are 4% for B shares and 1% for C shares. These charges can be reduced or eliminated based on how long the shares are held and as described in the prospectus.</p>	<p>Some mutual fund companies may choose to calculate these rates expressed as basis points on assets. Depending on asset levels, a basis point fee may result in a higher or lower fee than a per-position fee. Neither networking nor omnibus fees are paid to Financial Advisors.</p>
	<p>No load and institutional fund charge Our clients may purchase certain "no load" and "institutional" mutual funds in brokerage accounts at a charge of \$75 per transaction. No part of this fee is paid to Financial Advisors.</p>	<p>These networking and omnibus fees generally are paid from investor assets in mutual funds, but in some cases may be subsidized in part by affiliates or the distributor of the mutual funds.</p>
		<p>Networking fees are generally calculated by applying our standard networking rate of \$4 – \$16 for each mutual fund position that exceeds \$500 and is held at UBS. Exclusions may apply to positions below \$500</p>

Description	Fees and charges paid by clients	Compensation received from third parties
	<p>Processing and handling fee UBS charges a \$5.25 processing and handling fee on the purchase and sale of most mutual fund shares in brokerage accounts, to defray transaction processing costs. No part of this fee is paid to Financial Advisors.</p> <p>Redemption fee Mutual funds may charge clients a redemption fee, typically between 0.25% – 2%, on shares redeemed shortly after purchase. UBS does not receive this compensation. Details can be found in the fund prospectus.</p> <p>Proprietary UBS Mutual Funds Proprietary funds will charge investment management fees and other fund expenses detailed in the fund prospectus for services provided to the fund by UBS affiliates. These charges will reduce investment returns.</p> <p>Offshore funds Sales charges paid to UBS for offshore fund purchases may be negotiable, with a portion paid to your Financial Advisor.</p>	<p>and Retirement Accounts enrolled in a discretionary advisory program.</p> <p>Omnibus fees range from \$10 – \$26 per position and can vary by share class. Exclusions may apply to positions below an asset level mutually agreed upon by UBS and the mutual fund company, to certain discretionary advisory and Retirement Accounts, and to certain funds and/or share classes. A portion of the fees UBS receives is paid to a sub-account vendor contracted by UBS.</p> <p>Revenue sharing UBS requests that all mutual fund companies on the UBS platform pay UBS revenue based on overall sales and/or assets, known as revenue sharing. This compensation is not paid to Financial Advisors.</p> <p>Distribution support or revenue sharing is individually negotiated with each mutual fund company and generally ranges:</p> <ul style="list-style-type: none"> – Up to 0.15% (paid quarterly) on all purchases of mutual fund shares (excluding purchases through fee-based programs) – Up to 0.20% per year (paid quarterly) of the asset value of all equity and fixed-income mutual fund shares held at UBS (other than money market or offshore funds). The most common rates are 0.15% on equity mutual fund shares and 0.10% on fixed income mutual fund shares. <p>Some mutual fund families pay a flat fee annually or are subject to a minimum annual payment that can result in payments that exceed the percentages described above.</p> <p>This revenue sharing information is current as of the date of this brochure and can be changed at any time. For updates, visit ubs.com/mutualfundrevenuesharing.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
		<p>Finder's fees Based on the total dollar value of a client's holdings with a fund company, UBS may also receive Dealer Concessions or finder's fees (except for certain transactions in qualified plan and nonprofit/charity accounts) as described in the fund's prospectus or the fund's Statement of Additional Information. These are one-time payments made by the fund's asset manager. Such fees generally range from 0.25% – 1% of the purchase amount, with the most commonly paid finder's fee of 1.00%. Early redemptions within certain time frames may result in a CDSC fee to be charged to the client to offset the one-time payment previously made to UBS.</p> <p>Financial Advisors are not permitted to receive these payments where a load waived share class is available.</p> <p>Offshore funds UBS generally receives fees for offshore mutual funds, which are generally calculated as a percentage of the management fee charged by the applicable fund. These fees range from 0% – 65% of the fund's management fee, with 65% being the most commonly paid rate. The fee UBS receives includes compensation for all services provided by UBS to the fund.</p>
<p>Closed-end funds</p> <p>A type of investment company with a fixed number of shares that is listed on an exchange.</p> <p>For more information on initial offerings, please refer to the prospectus.</p>	<p>For initial offerings, clients pay the initial offering price and are not charged a commission.</p> <p>For secondary market transactions, clients pay a commission based on the quantity of shares purchased or sold and their corresponding fund prices.</p> <p>More information on commissions is available at ubs.com/commissions.</p>	<p>For an initial offering UBS receives a fee/selling concession from the underwriter(s) involved in the offering of the fund, which is built into the offering price paid by the client. The fee/selling concession is determined after negotiation between the issuer and the underwriter(s) and is disclosed in the prospectus.</p> <p>The fund sponsor may also pay UBS a portion of the operating expenses of the fund.</p> <p>None of these amounts are paid to the Financial Advisor.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
Exchange Traded Funds (ETFs)		
<p>An ETF is an interest in a pooled investment fund that can be bought and sold in the open market. These funds typically hold portfolios of securities that correspond to the price and yield performance of a particular broad market index or basket of securities for a particular industry, sector or geographic region, minus annual fees and expenses.</p> <p>For more information, please refer to the fund prospectus.</p>	<p>Clients typically pay a commission in connection with the purchase or sale of an ETF.</p> <p>More information on commissions is available at ubs.com/commissions.</p>	<p>For investments linked to the performance of an index, fees generally include licensing fees for use of the index, which may be paid to UBS by the fund for indexes owned or sponsored by UBS.</p> <p>UBS may receive compensation from creation and/or redemption fees that may be charged by the issuer or an affiliate for creations and redemptions, as applicable.</p> <p>None of these amounts are paid to the Financial Advisor.</p>
Unit Investment Trusts (UITs)		
<p>UITs are investment companies that purchase a fixed unmanaged portfolio of securities and subsequently sell shares in the trust to investors.</p> <p>For more information, please refer to the fund prospectus and <i>Understanding unit investment trusts</i> at ubs.com/uitdisclosure.</p>	<p>Clients typically pay the UIT sponsor either a deferred sales charge or a combination of upfront and deferred sales charges as disclosed in the prospectus. Sales charges range between 1.85% –3.95% of assets invested with the most common sales charges equaling 1.85% or 2.75% for equity-based trusts.</p> <p>The UIT’s prospectus contains specific sales charge amounts, terms and policies.</p>	<p>UBS receives a portion of the sales charge from the company sponsoring the UIT, based on certain factors. The portion of the sales charge received by UBS is based on a schedule, which can be found in the prospectus. These sales charges are paid to Financial Advisors. Most UIT sponsors make additional payments to the firms that offer their UITs, typically calculated as a percentage of sales volume. The UIT’s prospectus contains detailed descriptions of these additional payment programs. Financial Advisors do not receive any portion of or credit for these payments.</p>
NextShares (ETMFs)		
<p>An ETMF is an Exchange Traded Managed Fund, a pooled investment fund that can be bought and sold in the open market. These actively managed funds typically hold portfolios of securities, and are designed to invest in a group of assets in accordance with stated investment objectives.</p> <p>For more information, please refer to the fund prospectus.</p>	<p>Clients typically pay a commission in connection with the purchase or sale of an ETMF.</p>	<p>UBS may receive compensation from creation and/or redemption fees that may be charged by the issuer or an affiliate for creations and redemptions, as applicable. None of these amounts are paid to the Financial Advisor.</p> <p>Revenue sharing UBS intends to request that all ETMF issuers on the UBS platform pay UBS revenue based on overall sales and/or assets, known as revenue sharing. This compensation is not paid to Financial Advisors.</p>

Alternative investments

Description	Fees and charges paid by clients	Compensation received from third parties
<p>Alternative investments</p> <p>Alternative investments include, but are not limited to, hedge funds, funds of funds and private equity and real estate funds.</p> <p>For more information, please refer to the offering materials for each fund, which include the private placement memorandum, investor application and marketing materials, among other documents.</p>	<p>Client fees for investing in alternative investments are based on various factors, such as whether the investment is proprietary to UBS or nonproprietary, and/or by product type.</p> <p>Placement fees Most of these investments carry a placement fee. The placement fees are in addition to the amount the client invests and vary by product type. Generally, the placement fee is 2.00% of the investment. Placement fees are subject to waiver in limited circumstances. Clients can find details about this waiver in the client's Investor Application.</p> <p>Proprietary UBS alternative investments When you invest in a UBS alternative investment managed by us or one of our affiliates, the management and/or administration fee charged by the fund will be paid to us or to our affiliates as managers and/or as administrators of the fund. Proprietary funds are funds administered by UBS, including affiliated funds; however, affiliated funds may charge clients different fees as noted below. The administration fee is charged for services including, but not limited to, administration, accounting, reporting and processing. The fee is generally up to 1.00% (100 bps) of the investment based on the following investment breakpoints, with Financial Advisors receiving a portion of the fee:</p> <ul style="list-style-type: none"> – 1% (100 bps): for investments of up to \$3 million – 0.75% (75 bps): for investments from \$3 million up to \$10 million – 0.50% (50 bps): for investments of \$10 million and above 	<p>Proprietary UBS alternative investments UBS Financial Advisors receive a portion of the management and administrative fees we receive for servicing our proprietary funds.</p> <p>UBS has an agreement with one of its affiliates whereby it shares the profits generated by certain funds transferred to the UBS affiliate and funds that they develop specifically for UBS's wealth management platform.</p> <p>In addition, from time to time, UBS may receive a one-time placement fee for feeder funds it manages or administers. That fee is paid to UBS by the master fund, its distributor or investment manager. No portion of this placement fee is paid to the Financial Advisor.</p> <p>Nonproprietary alternative investments As compensation for our distribution services, UBS receives a marketing and distribution fee that is paid from the fund manager's management fee. The offering materials or subscription documents for the fund will disclose whether UBS receives a marketing and distribution fee from the fund. Financial Advisors may receive a portion of this fee.</p> <p>In limited circumstances, the fund manager may pay UBS a percentage of the fund manager's incentive fee. UBS's portion may be up to 25% of such fee. This fee may vary from year to year based on the underlying fund's annual performance. An incentive fee, if charged by the fund manager, is generally between 5% – 25% of profits made in a given year and is disclosed in the offering materials for the fund.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
	<p>In addition, clients will be subject to the underlying fund fees that generally charge a management fee of 1.5% – 2.5% and an incentive fee of 5% – 25%, in addition to other expenses as disclosed in the offering materials for each fund.</p> <p>Affiliated funds will generally charge clients a management fee of 1% – 2.25% of the amount invested. In addition, affiliated funds may charge an incentive fee of up to 25% of profits made in a given year. The actual fee charged to the client by the fund can be found in the offering materials for the fund.</p> <p>UBS Managed Futures Funds typically charge clients a fee of approximately 7.00%, which is comprised of the management fee and all trading and operating expenses of the fund's investment activities. These funds may also charge an incentive fee of up to 25% of profits made in a given year. The actual fee charged to the client by the fund can be found in the offering materials for the fund. Certain income that is generated by the fund such as dividends or interest may offset the expenses of the fund.</p> <p>Nonproprietary UBS alternative investments</p> <p>For funds other than the Managed Futures Funds, clients pay the fund manager a management/administration fee that generally ranges between 1% – 2.5% of the investment, although such fees may be higher. These funds may also charge an incentive fee of up to 25% of profits made in a given year. The actual fee charged to the client by the fund can be found in the offering materials for the fund. UBS will receive a fee from the investment manager that may constitute a majority of the management/administration fee otherwise received by the investment manager from the fund with respect to the overall client fee. The Financial Advisor will receive a portion of this fee.</p>	<p>Financial Advisors may receive a portion of these fees.</p> <p>UBS also may continue to receive a portion of the management fee from third-party funds that it no longer distributes or that were purchased by investors before they became UBS clients, as long as our clients are invested in that fund (or its successor).</p> <p>The Financial Advisor may receive a portion of these fees. The fund's offering or transfer documents state whether or not we receive this fee.</p> <p>The compensation that the Financial Advisor receives can vary from one fund to another and is generally higher for proprietary funds.</p>

Description	Fees and charges paid by clients	Compensation received from third parties
	<p>Managed Futures Funds typically charge clients fees of 4.00% – 9.50%, which comprises the management fee and all trading and operating expenses of the fund's investment activities. These funds may also charge an incentive fee of up to 25% of profits made in a given year. The actual fee charged by the fund can be found in the offering materials for the fund. In cases of Managed Futures Funds, the Financial Advisor may receive a portion of or the full fee paid to UBS.</p>	

Brokerage account and administrative fees

Fees are subject to change at any time, and we reserve the right to implement new fees and charges for account features in the future. Unless otherwise stated in your account documentation, we will automatically deduct fees and charges from your account. Fees and charges normally associated with account maintenance are listed below. Fee-based accounts may be exempt from several of the fees listed below. If you have any questions about fees, please contact your Financial Advisor.

Financial Advisors are not paid any portion of the fees set forth below; however, such fees do contribute toward calculating the applicable Financial Advisors' payout rate schedule.

The Fees and Charges section in the "Agreements and Disclosures" and, if applicable, its "Addendum," which can be accessed at ubs.com/accountdisclosures, contains explanations of:

- Situations where fees may be waived or capped
- How annual fees can be impacted by different types of marketing relationships, and
- How to designate a specific account to pay annual service and maintenance fees

Account	Fee	Notes and definitions
Annual service fee		
Resource Management Account (RMA)	\$175	
International Resource Management Account (IRMA)	\$200	
IRA Resource Management Account	\$175	
Individual Retirement Account (IRA)	\$100	Includes SEP and SIMPLE IRAs
Coverdell Education Savings Account (ESA)	\$100	
403(b)(7) Custodial Account	\$100	
Qualified plan fee	\$100	
Business Services Account BSA	\$175	
Business Services Account BSA qualified plans	\$175	
International Business Services Account BSA	\$200	
Basic Investment Account	\$100	This account is no longer available.
International Basic Investment Account	\$100	This account is no longer available.
Wealth Advice Center limited purpose account annual service fee	\$100	

Please note that if your account is in the same Marketing Relationship as a UBS employee, different annual service fees apply and additional fee waivers may be available. Contact your Financial Advisor for more information.

Account	Fee	Notes and definitions
Other fees		
Maintenance fee	\$95	We charge this fee if your eligible assets in a Marketing Relationship do not maintain certain minimum required levels.
Account transfer fee	\$95	
Processing and handling fee (per transaction)	\$5.25	
Transaction fee (per sale transaction of equities and covered equity options)	Varies. Generally between 0.00127% – 0.00257% of the transaction amount.	This fee, which is displayed on trade confirmations, is charged at the same rate as the Section 31 Fee rate, which is set by the SEC and adjusted twice per year. The amount of the fee, which covers the transaction fees UBS is required to pay self-regulatory organizations, is rounded by UBS to the nearest penny or up to one penny if less than one. The rate varies, but in recent years has been between 0.00127% – 0.00257%. For the most updated information on the amount of the transaction fee, refer to “Transaction fee on the sale of equities and covered equity options” at ubs.com/accountdisclosures .
Annual physical security safekeeping (per security per account)	\$75	This is a fee for storing stock certificates or other physical securities on your behalf.
Restricted legend removal fee (per security)	\$125	This fee covers costs associated with the legal transfer from restricted to transferable shares.
Non-DRS transfer fee	\$25	This fee applies to securities that do not participate in the Direct Registration System (DRS) and is charged for the transfer and shipment of a client’s book-entry shares into physical certificate form registered in client name or another name designated by the client.
Legal transfer fee	\$25	The fee charged for processing a change of registration of security in certificate form due to events (such as death of original owner or a minor reaching the age of majority).
Bounced check fee	\$15	This fee is charged if a check drawn on your account is returned for insufficient funds.
Returned check deposit fee (per check)	\$25	This fee is charged when a check deposited to your account is returned for insufficient funds.
Special check handling fee	\$10	This fee is charged when we pay a check that exceeds your Withdrawal Limit.
Bill payment, automatic payment or electronic funds transfer returned-item fee (per item)	\$15	
Stop bill payment/transfer fee (per stop payment)	\$15	
Federal fund wire transfer fee (applies to U.S. Dollar wire transfers)	\$25	This fee is charged for outgoing U.S. Dollar wire transfers. The following billable accounts residing in the same Marketing Relationship receive a total of three free outgoing

Account	Fee	Notes and definitions
		U.S. Dollar wire transfers per year: RMA, IRA-RMA, Business Services Account BSA (Sole Proprietorships only), Business Services Accounts BSA opened for the individual's investment purposes with the following organizational structures only (beneficial ownership of the organization must be individual, trust or estate): Limited Liability Company, Limited Partnership, Limited Liability Partnership and Limited Liability Limited Partnership and IRA accounts residing within the same Marketing Relationship with these billable accounts.
Foreign currency wire transfer fee	\$45	This fee is charged for all outgoing foreign currency wire transfers. It is not included in the three free Federal Fund Wire transfer per year offer described above.
Check stop payment fee (per check)	\$12	
Check stop payment fee (series of three or more)	\$25	
Check copy fee (per item)	\$2.50	
Overnight delivery of wallet style check-order fee	\$15	
Voluntary corporate action fees	\$30	This fee is charged when account owners decide how they would like their assets to be handled when corporations take certain actions, such as voluntary tender offers.
Support services and processing fee	\$75	This fee applies to purchases or sales of no-load mutual funds and institutional mutual fund share classes in brokerage accounts, regardless of the amount of the transaction.
American Depositary Receipts (ADR)/Global Depositary Receipts (GDR) service fee	Varies	If you own these types of securities, this fee may be charged by the third-party depository bank that holds the underlying assets and manages all registration and recordkeeping for the securities. UBS does not retain any portion of this fee.

There are certain charges that we incur from third parties that we pass along to clients: Corporate action and/or settlement fees that issuers, transfer agents, agent banks or depositories impose for particular transactions/events such as ADR/GDR conversion fees, ADR/GDR shareholder service fees, odd lot tenders and optional dividends, transfer fees, re-registration fees, stamp duties and taxes, including sales, capital gains, excise and financial transaction taxes.

Available advisory programs and services

A description of each of our investment advisory programs and applicable required minimum investments are provided below.

Please note that if you have more than one advisory account, the accounts may be able to be linked so that the total of your eligible assets is considered when determining the appropriate fee. For details, please contact your Financial Advisor.

For each of the programs described below, your Financial Advisor receives a portion of the fee that you pay UBS based on his or her payout rate.

Mutual fund share classes available in advisory programs

Institutional and/or advisory share classes are the primary eligible share class available for purchase in our programs. Class A shares are available for funds that do not offer institutional or advisory share classes or that declined to make those shares available in the programs.

Class A shares normally pay a shareholder servicing fee, commonly referred to as a 12b-1 fee, out of fund assets. As a distributor of mutual funds, we receive a portion of the 12b-1 fees for services we provide. The 12b-1 fees for Class A shares that remain in the nondiscretionary advisory programs (PACE, Strategic Advisor and Strategic Wealth Portfolio) are retained by the firm and are not paid to Financial Advisors. Clients invested in discretionary advisory programs or IC Wrap receive a credit of 12b-1 fees and trail commissions for Class A shares held in those accounts.

The applicable Form ADV disclosure (available at ubs.com/accountdisclosures) provides detailed information regarding each of these programs, our fees and billing practices, our personnel, our other business activities and financial industry affiliations, and conflicts between our interests and your interests. The fees you pay will be the amount agreed between you and UBS. The applicable Form ADV disclosure and Advisory Agreement and Program Application include information regarding compensation we receive directly from you and the indirect compensation we may receive from third parties in these programs. If you would like a copy of the Agreement, Application and/or our ADV disclosure document, please contact your Financial Advisor.

Important information for Qualified Plan Fiduciaries holding investment advisory accounts at UBS

For the additional information required to be disclosed under the DOL's ERISA Section 408(b)(2) Regulations for the advisory programs and services described above, please refer to our Form ADV disclosure at ubs.com/accountdisclosures for the particular advisory program or service and to our contract with you. Specifically:

- Review Item 4 of the Form ADV "Services, Fees and Compensation" for a description of the services we provide under the particular program or service, and the direct and indirect compensation we expect to receive in connection with that program or service
- Review Item 11 of the Form ADV "Investment Adviser Code of Ethics, Participation or interest in client transactions and personal trading" for a description of additional indirect compensation we receive
- Review Item 14 "client referrals and other compensation" for a description of how we are compensated for referrals from affiliates and third parties
- We will act as a registered investment adviser under the Investment Advisers Act of 1940 with respect to any of the below advisory programs that you select
- Our status as an ERISA fiduciary is disclosed in the 408(b)(2) disclosure at ubs.com/retirementplandisclosures
- Your advisory fee, which may vary from the maximum advisory fee described in the Form ADV for the particular program or service, is disclosed in your program application or in a notice to you that confirms your fee and your enrollment in our advisory programs
- If you have selected a program that includes management by an investment manager unaffiliated with us, please see the manager's respective Form ADV and/or separate ERISA Section 408(b)(2) disclosure document for information regarding the manager's specific services and indirect compensation. We will provide you with the applicable Form ADV for each manager you select in the ACCESS and Strategic Wealth Portfolio Programs. Managers in the Managed Accounts Consulting Program will enter into an individualized contract with you and will provide the Form ADV directly.
- Please also review the Conflicts of Interest section of this brochure.

Fee schedules: The maximum UBS Investment Advisory Fee in all Programs is 2.50% for all assets and strategy types, except as noted below for the Consulting Programs. Fees charged by investment managers in separately managed account programs such as ACCESS and MAC, within managed account sleeves in the UBS Strategic Wealth Portfolio Program (“SMA Manager Fees”) are in addition to the UBS Investment Advisory Fee. The annual fees paid to SMA Managers in ACCESS and the UBS Strategic Wealth Portfolio are based on a percentage of assets under management and generally range from 0.25% to 0.75% for equity and balanced accounts, and 0.10% to 0.60% for fixed income accounts. The SMA Manager Fee in the Managed Accounts Consulting Program is negotiated between the client and the manager.

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

- ACCESS
- Managed Accounts Consulting
- Portfolio Management Program (PMP)
- UBS Managed Portfolio Program

With a 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. With breakpoints, 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 “breakpoints” for each asset level are defined in the Program application. You may request to have two or more eligible Advisory accounts treated as related accounts to qualify for certain breakpoint discounts. Please discuss with your Financial Advisor.

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.

Nondiscretionary advisory programs

PACE (Personalized Asset Consulting and Evaluation) Multi Advisor

The PACE Multi Advisor program offers access to a broad array of mutual funds with diverse investment management approaches. The minimum investment is \$5,000.

PACE (Personalized Asset Consulting and Evaluation) Select Advisors

The PACE Select Advisors program offers clients the opportunity to participate in style-specific, no-load funds that are managed by investment subadvisors carefully chosen by UBS Asset Management (Americas) Inc., which is the advisor for the portfolios. The minimum investment is \$10,000.

UBS Strategic Advisor

The UBS Strategic Advisor program is a nondiscretionary program that offers access to a wide range of investments including stocks, bonds, mutual funds, ETFs and structured products for clients who seek the ongoing advice of a professional financial advisor and are looking to implement a medium- to long-term investment plan. The minimum investment is \$50,000.

Separately managed account programs and unified managed accounts program¹

ACCESSSM

ACCESS allows clients to select professional investment management organizations that will assume all day-to-day investment decisions for their assets. For a minimum investment of \$100,000 (though some managers have higher minimums), ACCESS offers a broad spectrum of respected investment management organizations that have undergone and met the standard of our Investment Manager Research Group’s due diligence process. UBS will provide you with the applicable Form ADV disclosure for each investment management organization you select, which provides detailed information regarding the investment management organization, fees, personnel, other business activities and conflict between their interests and your interests.

¹ The ACCESS, SWP, MAC and IC programs offer some of the same SMA Managers 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 either by UBS (in ACCESS, SWP) and by you in the MAC or IC Program. 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 or IC program, you may find that the single-contract structure in ACCESS and SWP provides a more cost-effective option or vice versa. In addition, based on the combination of our fees and your SMA Manager’s fees, the overall fee for your SMA account in ACCESS, SWP, MAC or IC may exceed 3% of the account value. **Please review your options and overall costs carefully with your Financial Advisor before investing.**

Managed Accounts Consulting (MAC)

MAC offers clients the ability to establish a discretionary relationship directly with an investment management organization, while UBS provides professional investment consulting services, such as custody, trading and execution services, as well as performance reporting for accounts that are custodied at UBS. The minimum investment is \$100,000 or the manager's minimum, whichever is greater. The applicable Form ADV disclosure for each management organization you select provides detailed information regarding the management organization, fees, personnel, other business activities and conflicts between their interests and a client's interests. The SMA Manager Fee is in addition to the UBS Investment Advisory Fee and is negotiated between client and the manager.

UBS Strategic Wealth Portfolio (SWP)

Through UBS Strategic Wealth Portfolio, Financial Advisors help clients build portfolios using a combination of investment managers, mutual funds and ETFs—all within a single account. The minimum investment is \$375,000. Certain strategies require a higher minimum investment. We will provide you with the applicable Form ADV disclosure for each investment management organization you select, which provides detailed information regarding the investment management organization, fees, personnel, other business activities and conflicts between their interests and your interests.

Discretionary advisory programs

Portfolio Management Program (PMP)

PMP places Financial Advisors in the role of investment manager, providing discretionary investment management. The minimum investment is \$50,000.

UBS Managed Portfolio of Funds (MPF)

This discretionary program offers clients diversified mutual fund and ETF portfolios managed by the UBS Investment Management Group. The minimum investment is \$5,000, \$25,000 or \$50,000, depending on the strategy selected.

UBS Managed Portfolio of Global Selections (MPGS)

This discretionary program offers clients a globally diversified portfolio of ETFs and U.S. equities, depending on the strategy selected, managed by the UBS Investment Management Group. The minimum investment is \$50,000 or \$250,000, depending on the strategy selected.

UBS Managed Portfolio Selections

This discretionary program offers clients single equity and ETF portfolios managed by the UBS Investment Management Group. The minimum investment is \$100,000.

UBS Managed Portfolio of ESG Investments (Environmental, Social and Governance Investments)

This discretionary program offers clients a diversified portfolio of mutual funds, ETFs and pooled investment vehicles managed by the UBS Investment Management Group to consider environmental, social and governance (ESG) factors. The minimum investment is \$50,000.

UBS-Consolidated Advisory Program (CAP)

This "Portfolio Based Advisory Program" is available through a select group of Financial Advisors who provide specialized investment advisory consulting services to investors with total relationship assets of at least \$10 million. Rather than providing services at the individual account level, the services in UBS-CAP are available for UBS Advisory Accounts in certain programs and, in limited circumstances, for accounts held at other financial institutions. UBS-CAP services include, but are not limited to: 1) assistance in the development and preparation of an investment policy guideline; 2) the preparation of an asset allocation analysis for the allocation of your investment assets among various asset categories or classes; 3) selection of separate account managers, mutual funds, ETFs and alternative investments; 4) portfolio evaluation and review; 5) 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. (The SMA Manager Fee in ACCESS and MAC is in addition to the UBS-CAP fee; see the ACCESS and MAC Program descriptions for details.)

Consulting programs

Retirement Plan Consulting Services (RPCS) program

RPCS is a program designed to provide advisory services to defined contribution retirement plans. The ongoing advice of an RPCS Financial Advisor is one of the key components and services provided. There is no minimum asset requirement for participation in nondiscretionary RPCS services. However, there is typically a \$10,000,000 minimum asset requirement for discretionary services, though we may waive that minimum under certain circumstances. Fee schedule: The maximum annual fee is 2% of eligible plan assets. The minimum annual fee is \$6,000. However, start-up plans seeking ongoing services are subject to a flat dollar fee no greater than \$40,000. Plans will be considered start-ups where they have total billable plan assets of \$0 to \$2,000,000.

Institutional Consulting (IC)

The UBS Institutional Consulting Program provides investment policy assistance, asset allocation studies and analysis, investment search and identification, and portfolio evaluation for institutional clients. Institutional clients include pension plans, endowments, foundations, reserves and trusts. Typically the minimum investment is \$10 million, although we may provide consulting services to clients with less than \$10 million in investable assets under certain conditions. Fee schedule: The IC program uses a fee schedule based on total assets that ranges from 0.30% to 2% for non-discretionary services and 0.33% to 1.8% for discretionary services. The minimum fee is generally \$20,000 or 2% of the value of Eligible Investments, whichever is less. If you invest with a separate investment manager, the SMA Manager's fee is in addition to the UBS Investment Advisory Fee. The annual fees paid to SMA Managers are based on a percentage of assets under management.

UBS Outsourced Chief Investment Officer (OCIO) program

The OCIO Program is an advisory and discretionary investment management program designed to offer institutions (e.g., endowments, foundations, defined benefit pension plans, etc.) a way to delegate certain of their fiduciary responsibilities to UBS and UBS Asset Management (Americas) Inc. The OCIO Program combines the services provided by UBS through the UBS Institutional Program with the discretionary investment management services of UBS Asset Management (Americas) Inc. Typically the minimum investment is \$10 million, although we may provide OCIO services to clients with less than \$10 million in investable assets under certain conditions. Your account must have at least \$25 million in investable assets to be eligible for privately offered alternative investments. Fee schedule: The OCIO program uses a tiered fee schedule based on total assets that ranges from 0.20% to 0.60%, with a minimum program fee of \$60,000 if the value of the assets is less than \$10,000,000 for Foundations, Endowments and other Pooled Investments (excluding Pension Funds) and from 0.25% to 0.70%, with a minimum program fee of \$70,000 if the value of the assets is less than \$10,000,000 for Pension Funds.

Financial planning services

Brokerage

Financial plans provided free of charge are a service incidental to our brokerage relationship, terminate when we deliver the plan and we are under no obligation to provide ongoing planning advice or reporting.

Advisory

Financial planning services are provided for a fee and through a financial planning services agreement that defines the terms and scope of engagement. Fees for our Financial Planning Services are negotiable, are at our sole discretion and may differ significantly from client to client based on a number of factors:

- General fee range: \$500 to \$50,000
- Fees greater than \$50,000 and not exceeding \$100,000 may be permitted for complex situations involving relationships with a net worth of \$100 million or more
- Private Planning Services have a minimum fee of \$10,000

Corporations may enter into an agreement with UBS to provide financial planning services for their employees at a negotiated rate.

The financial planning services fee covers only the financial planning service and does not cover any other services, accounts or products. If you maintain accounts with us, or if you implement all or a portion of your financial plan with UBS, you will pay the fees and charges for the products and services you select. This will add to the overall compensation that we receive and the fees for financial planning services will not be reduced or offset by these other fees and charges.

Conflicts of interest

Conflicts of interest may arise as a consequence of the firm's interests and our relationships with multiple clients, other financial services firms and vendors with whom we conduct business. Examples of conflicts of interest that may arise as a result of our compensation structures are described below. This is not intended to be an all-inclusive list, and any questions that you have should be directed to your Financial Advisor.

Financial Advisor compensation

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 over others. We address these conflicts of interest by maintaining policies and procedures on the suitability and supervision of the advisory programs and services we offer to you, and by disclosing our practices to ensure you make a fully informed decision.

Revenue sharing

When UBS receives revenue-sharing compensation or distribution support from distributors or advisors of mutual funds, annuity products, UITs and other products we offer, it presents a conflict of interest between our interests and those of our clients. Although these payments are not shared with Financial Advisors, they can create incentives to promote those products for which we receive revenue-sharing payments. For more information, refer to ubs.com/mutualfundrevenuesharing and ubs.com/va-revenuesharing.

Revenue from third parties—compensation for data analytics

UBS's receipt of compensation from vendors to whom we provide analytics and data relating to our Financial Advisors may result in increased sales of those vendors' products. Financial Advisors, however, do not receive a portion of the fees that UBS receives for providing that information.

Non-cash compensation

When vendors decide to contribute toward training and educational programs, in some instances the contributions per vendor (as well as the aggregate received from all vendors) are significant. Financial Advisors do not receive a portion of these payments. However, Financial Advisors' receipt of non-cash compensation such as occasional gifts, meals or entertainment and/or their attendance and participation in educational or training forums, and the increased exposure to vendors who sponsor these events, may lead Financial Advisors to recommend the products and services of those vendors as compared to those vendors that do not provide non-cash compensation or sponsor such events.

Trading and execution practices

When executing an order in certain types of securities, including debt, we are permitted to trade for our own account, with an affiliate or with a client, and may earn a profit on those trades. When we or an affiliate act as principal in buying a security from or selling a security to a client, we earn compensation on the transaction by charging the client a markup or markdown from the price of the security. This spread is the firm's compensation for taking market risk and making a market in the security.

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 when there may be a potential conflict with interests of clients.

For additional information on our best execution and order entry procedures, go to ubs.com/bestexecution and ubs.com/orderroutingdisclosure.

Conflicts between our asset management and distribution businesses

Your Financial Advisor may offer to sell you a nonproprietary hedge fund, managed futures fund or other investments that a UBS fund of funds or a UBS portfolio manager has redeemed in the portfolios they manage. The decisions by portfolio managers regarding the purchase and sale of funds or securities in the portfolios are made independently from our assessment of the products approved for our distribution platform. There is no obligation that any of the UBS funds of funds or UBS portfolio managers (or any other client or affiliate of the firm) either invest in or hold any investment vehicle that your Financial Advisor may offer to you.

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