UBS

Form ADV Part 2A
Firm Brochure

Item 1 – Cover Page

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March 31, 2023

This "Firm Brochure" provides information about the qualifications and business practices of UBS Asset Management (Americas) Inc. If you have any questions about the contents of this Firm Brochure, please contact Barry Mullen, Chief Compliance Officer-UBS AM Americas, at (212) 882-5367 or barry.mullen@ubs.com, or Philip Stacey, Head of Legal-UBS AM Americas, at (312) 525-7831 or philip.stacey@ubs.com. The information in this Firm Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about UBS Asset Management (Americas) Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our Firm's CRD number is 106838.

UBS Asset Management (Americas) Inc. is registered as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

UBS Asset Management (Americas) Inc. (UBS AM) filed its last annual update to the Firm Brochure on March 31, 2022.

UBS AM has filed this amendment to its Firm Brochure to provide its annual update to the information in its Firm Brochure. UBS AM has made only immaterial changes to its Firm Brochure.

We may update this Firm Brochure at any time, and will either send you a copy or offer to send you a copy (either electronically or in hard copy) as may be necessary or required, but at least on an annual basis.

Clients and prospective clients should review this entire brochure carefully.

Item 3: Table of Contents

Privacy Notice

This notice describes the privacy policy of UBS Asset Management (Americas) Inc. ("**UBS AM**"). UBS AM is committed to protecting the personal information that it collects about individuals who are prospective, current or former advisory clients.

UBS AM collects personal information in connection with providing investment advisory services primarily to process requests and transactions, provide customer service and communicate information about its products and services. Personal information, which is obtained from applications and other forms or correspondence, may include, but is not limited to, name(s), address, e-mail address, telephone number, date of birth, social security number or other tax identification number, bank account information, financial information and other investments in mutual funds or other investment programs managed by UBS AM or its affiliates ("**Personal Information**").

UBS AM limits access to Personal Information to those individuals who need to know that information in order to process transactions and service accounts. These individuals are required to maintain and protect the confidentiality of Personal Information and to follow established procedures. UBS AM maintains physical, electronic and procedural safeguards to protect Personal Information and to comply with applicable laws and regulations.

UBS AM may share Personal Information with their affiliates to facilitate the servicing of accounts and for other business purposes, or as otherwise required or permitted by applicable law. UBS AM affiliates are companies that are controlled by a member of UBS AM or that control or are under common control with UBS AM. UBS AM may also share Personal Information with non-affiliated third parties that perform services, such as vendors that provide data or transaction processing, computer software maintenance and development, and other administrative services. When UBS AM shares Personal Information with a non-affiliated third party, they will do so pursuant to a contract that includes provisions designed to ensure that the third party will uphold and maintain privacy standards when handling Personal Information. In addition to sharing information with non-affiliated third parties to facilitate the servicing of accounts and for other business purposes, UBS AM may also disclose Personal Information to non-affiliated third parties as otherwise required or permitted by applicable law. For example, UBS AM may disclose Personal Information to credit bureaus or regulatory authorities to facilitate or comply with investigations; to protect against or prevent actual or potential fraud, unauthorized transactions, claim or other liabilities; or to respond to judicial or legal process, such as subpoena requests.

Except as described in this privacy notice, UBS AM will not use Personal Information for any other purpose unless UBS AM describes how such Personal Information will be used and clients are given an opportunity to decline approval of such use of Personal Information relating to them (or affirmatively approve the use of Personal Information, if required by applicable law). UBS AM endeavors to keep its customer files complete and accurate. Please notify your Client Service Representative if any Personal Information needs to be corrected or updated. If you have any questions or concerns about your Personal Information or this privacy notice, please contact your Client Service Representative.

Item 4: Advisory Business

Overview

*This section of the Firm Brochure contains a general description of UBS Asset Management (Americas) Inc. (also referred to as "**we**," "**our**," the "**Firm**," or "**UBS AM**"), as well as information regarding our ownership structure, the types of advisory services we provide and the investment instruments we use, how we tailor advisory services to client needs, and our participation in managed account programs (wrap fee programs).*

General description and ownership

UBS Asset Management (Americas) Inc., a Delaware corporation, is a wholly owned subsidiary of UBS Americas Inc., which is a wholly owned subsidiary of UBS Americas Holding LLC, which in turn is owned by UBS AG and ultimately by UBS Group AG, a publicly traded Swiss corporation (SIX: UBSG; NYSE: UBS) ("**UBS**"). UBS AM is registered with the U.S. Securities and Exchange Commission ("**SEC**") as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended ("**Advisers Act**").

The operational structure of UBS is composed of the Group Functions and four business divisions: Global Wealth Management, Personal & Corporate Banking, Asset Management and the Investment Bank. The UBS Asset Management business division was formed through the merger of Union Bank of Switzerland and Swiss Bank Corporation in 1998. In 2000, the merger culminated in the integration of the investment teams of the respective asset management businesses: UBS Asset Management, Brinson Partners (Chicago firm established in the 1980s) and Phillips & Drew (London firm established in 1895). In 2002, with the integration complete, the firm rebranded as UBS Global Asset Management, and is known today as UBS Asset Management. UBS AM is part of the "UBS Asset Management" business division of UBS and was incorporated in 1989.

The UBS Asset Management business division is itself divided into multiple separate business lines that provide asset management services globally:

1. UBS AM offers Equities, Fixed Income, Indexing, and Investment Solutions businesses, which are covered by this Firm Brochure and are described more fully herein.

2. UBS O'Connor LLC ("**O'Connor**"), a wholly owned subsidiary of UBS AM, provides discretionary and non-discretionary investment advisory services to various types of pooled investment vehicles, pension or profit-sharing plans, and institutional separately managed accounts. O'Connor is a single manager hedge fund specialist with global reach, combining significant, experience in trading, risk management and alternative investments.

3. UBS Hedge Fund Solutions LLC ("**HFS**"), a wholly owned subsidiary of UBS AM, offers investment advisory services regarding investments in pooled investment vehicles, known generally as hedge funds. HFS clients include primarily hedge fund of funds, some of which are privately offered and some of which are registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). HFS offers a comprehensive spectrum of hedge fund solutions and advisory services including a wide range of multi-manager and direct trading strategies which provide broad based, diversified exposure to the hedge fund asset class with various risk and return profiles. Its clients may also include ultra-high-net-worth individuals.

4. Real Estate & Private Markets ("**REPM**") includes: UBS Realty Investors LLC ("**RE**"), which offers direct real estate investments through commingled real estate funds and individually managed discretionary and non-discretionary real estate accounts; UBS Farmland Investors LLC ("**Farmland**"), which offers advice to clients in connection with the acquisition or sale and management of agricultural real estate; infrastructure funds and direct investments through infrastructure direct investment ("**INFRA**"), infrastructure multi-managers ("**MM-INFRA**"), real estate multi-managers ("**MM-RE**"), private equity multi-managers ("**MM-PE**") and private credit multi-managers ("**MM-PC**"). The INFRA and MM businesses primarily construct bespoke portfolios and funds, and are included in this Firm Brochure.

5. UBS Fund Management Services ("**FMS**") provides administrative services primarily to investment funds domiciled outside of the United States.

The O'Connor, HFS, REPM, and FMS businesses are not covered by this Firm Brochure, with the exception of REPM's INFRA, MM-RE, MM-PE, MM-INFRA and MM-PC businesses which are covered.

General advisory services

UBS AM is a full-service asset manager providing investment services to various types of individual and institutional investors, including investment companies. We provide investment advisory, sub-advisory and portfolio management services, including asset allocation and strategic investment strategies, primarily through our Equities, Fixed Income and Investment Solutions platforms.

We provide individualized discretionary investment management services and non-discretionary investment advisory services to our clients in accordance with investment guidelines set forth in each client's investment advisory, investment management or sub-advisory agreements.

UBS AM primarily provides active investment strategies to its clients and principally employs fundamental analysis in managing client accounts by attempting to identify discrepancies between current market prices and our estimate of fundamental value.

UBS AM may employ multi-manager strategies where UBS AM engages affiliated or third-party investment sub-advisers who may employ other investment philosophies in addition to those used by UBS AM. In such cases, our management for such relationships includes, but is not limited to, the selection and monitoring of the sub-advisers and oversight of various fund service providers.

UBS AM may also employ quantitative, passive, active-passive and enhanced index strategies in managing certain client accounts or may invest certain clients' assets in funds or separate accounts managed by sub-advisers who use these strategies. Passive strategies are intended to replicate the investment performance of a specified index, gross of fees. Active-passive strategies involve active allocation to markets and passive selection of securities within those markets. Enhanced index strategies attempt to outperform a specified index while controlling risk relative to the index.

We also provide strategic investment advisory services that include a range of services including investment policy development, total portfolio construction and management incorporating alternative assets, risk management services, global tactical asset allocation and multi-manager research and portfolio construction. In addition, our strategic investment advisory services include asset/liability management and fiduciary outsourcing for pension funds, foundations and endowments. When providing such strategic advisory services, UBS AM may advise on the total asset level, but may not directly manage all of a client's assets.

UBS AM may seek the advice and assistance of its non-U.S. affiliates within UBS Asset Management when providing investment supervisory services to its clients (in such capacity, "**Participating Affiliates**"). Please see *Item 10 Other Financial Industry Activities and Affiliates* for further information. UBS AM may, in its discretion, delegate all or a portion of its advisory or other functions (including placing trades on behalf of clients) to any Participating Affiliate. The employees of such Participating Affiliates may provide portfolio management, research, financial analysis, order placement, and other services to UBS AM's clients. Such employees will be acting as associated persons of UBS AM in providing such services under the direct supervision and oversight of UBS AM. UBS AM remains responsible for the advice and services provided and clients will not pay additional investment advisory fees as a result of such advice and services being rendered by such associated persons, absent disclosure and express client consent. UBS AM has a global services agreement in place with its Participating Affiliates, which is structured in accordance with a series of SEC no-action relief letters mandating that Participating Affiliates remain subject to the regulatory supervision of both UBS AM and the SEC in certain respects. UBS AM may also manage assets for O'Connor, HFS, or REPM and it may engage them to manage assets on behalf of UBS AM's clients.

UBS AM claims compliance with the Global Investment Performance Standards ("**GIPS**") regarding composite performance, with the exception of certain businesses or mandates that are excluded from the Firm definition. Examples of businesses or mandates that are excluded from the Firm definition include, but are not limited to, INFRA, MM-RE businesses and certain sub-advisory services, which are more fully detailed in the schedule of composite performance included in relevant marketing materials.

Model programs

In connection with certain programs pursuant to which independent investment advisers and other financial institutions ("**Model Program Sponsors**") provide advisory services to their clients (the "**Model Programs**"), certain Model Program Sponsors have retained UBS AM to provide model investment portfolios for use in the Model Programs (the "**Model Portfolios**"). In some cases, the Model Program Sponsor may retain UBS AM to provide periodic or ongoing advice with respect to updates to the Model Portfolio. The Model Portfolios may consist of a portfolio of mutual funds sponsored by UBS AM or other securities and investment products, and the Model Program Sponsor may restrict the purchase or sale of certain securities and investment products.

UBS AM generally creates the Model Portfolios for a hypothetical investor with investment objectives specified by the Model Program Sponsor. As a general matter, an investor in the Model Program or the investor's adviser has the responsibility to: (i) determine whether a Model Portfolio is suitable and appropriate for the investor; and (ii) tailor the Model Portfolio, as necessary, to fit an investor's financial situation and objectives. Under the terms of the Model Programs, the Model Program Sponsor or an investor's adviser generally has the ability to modify the Model Portfolios.

In addition to the delivery of Model Portfolios to third parties described above, UBS AM manages certain client accounts pursuant to model strategies applied across all clients having similar risk tolerance and investment guidelines. As a result of managing client assets in accordance with a specific model, new accounts investing in a model may initially invest in securities whose attributes fall outside the ranges typically associated with the specific investment mandate. For example, this may occur due to the appreciation or depreciation of the market capitalization of securities included in the model prior to the initiation of the new account. In addition, a client account may specify industry or sector allocation limits based on standard sector or industry classifications rather than similar classifications used by the provider of the benchmark for the account. Lastly, when contributions and withdrawals are made to or from an account managed pursuant to a model, the transactions made to satisfy a client’s contribution or withdrawal may, depending on liquidity or other factors, have an effect on the market price of such securities held in other client accounts managed pursuant to the same model.

Types of instruments

Types of investments which UBS AM offers investment advice on include, but are not limited to:

1) Exchange-listed securities, securities traded over-the-counter, privately-placed securities and foreign issues.
2) Warrants and rights.
3) Debt securities issued by corporations, supranationals, financial institutions and other issuers.
4) Commercial paper and other money-market instruments.
5) Certificates of deposit.
6) Municipal securities.
7) Mutual fund shares, including closed-end and exchange-traded funds.
8) Government and government-sponsored enterprises securities.

9) Time deposits maintained inside or outside the U.S., held in book-entry form by the custodian of the client's assets.
10) Foreign government and foreign government agency securities.
11) Repurchase agreements.
12) Bank loans and loan participations.
13) Master notes.
14) Mortgages (agency and non-agency mortgage-backed securities and real estate).
15) Convertible securities, distressed debt, preferred stock, and pass-through participation certificates in pools of real estate mortgages, credit card receivables, and auto loan receivables (asset-backed securities).
16) Insurance company separate accounts.
17) Collateralized debt obligations and collateralized loan obligations
18) Commodities and currencies.
19) Inflation protected securities.
20) Depositary receipts.
21) Derivative instruments and structured products, including but not limited to options contracts on securities and commodities, futures contracts, forward and spot currency contracts (including non-deliverable forwards), swaps (including, but not limited to interest rate swaps, total return swaps, portfolio swaps, credit default swaps and swaps on indices), participation notes, structured notes, credit linked notes and various types of agency and non- agency asset-backed securities.
22) Pooled funds and funds-of-funds managed by UBS AM and/or its affiliates or by unaffiliated investment managers, including, but not limited to, alternative investment funds (e.g., hedge funds, private equity funds, etc.), real estate multi-manager or fund-of-funds strategies, direct and fund-of funds infrastructure, publicly traded and private real estate investment trusts ("**REITs**"), unit investment trusts and collective investment trusts.
23) Partnership interests or other pooled interests investing in private equity investments, including venture capital, mezzanine, leveraged buyout ("**LBO**"), real estate, infrastructure and other alternative investments.

Tailoring advisory services to client needs

UBS AM designs its investment management services to meet the needs and objectives of each client. We use our best efforts to increase the value of a client's assets under management through the investment and reinvestment of assets as limited by and subject to the terms of clients' written investment guidelines or investment policy statements and agreed risk tolerances.

Our active management process involves the allocation of investments among asset classes, markets, regions and countries, and currencies in addition to the selection of various types of instruments noted above on behalf of client accounts.

UBS AM may invest in derivative instruments in order to obtain exposure to securities, currencies, commodities or markets, or to hedge or otherwise alter the risk and return characteristics of a portfolio. We do not use derivatives to leverage a portfolio absent the clients written authority to do so.

We may invest in securities on a long-only basis or, where clients permit, may also enter into short-sales of securities or short derivatives positions.

We do not manage portfolios for the purpose of providing for a client's liquidity needs, with the exception of certain short-term fixed income assignments and when expressly required by a client.

We may furnish advice or provide investment management services on matters not involving securities, including actively managing foreign currency exposure of portfolios invested in assets denominated in currencies other than the client's base currency, as well as investments in commodities, real assets, and financial futures and derivative instruments.

Restrictions regarding certain types of services and investments

UBS AM is a part of a global financial services firm and may be precluded from acquiring or selling certain securities or investments on behalf of itself and clients as a result of inside information, conflicts of interest or applicable laws or regulations. UBS AM is subject to certain provisions of the Bank Holding Company Act ("**BHCA**") as a result of being a subsidiary of UBS, which is a foreign financial holding company. The BHCA may, in certain circumstances, limit our clients' ownership of stock issued by other U.S. companies and other bank holding companies that are subject to the BHCA. UBS AM client accounts will not generally be able to invest in securities issued by UBS (except for certain accounts managed using a passive or model-driven investment strategy). Similarly, other federal , state and foreign laws may restrict our clients' aggregate ownership of stock issued by certain companies. As a result of these possible limitations, UBS AM may not be able to purchase securities that our model would otherwise indicate we should and, therefore, affected client accounts would not participate in the "upside" of such purchase (if any).

UBS AM and UBS adhere to global policies that require compliance with relevant legal and regulatory requirements. An example of such a requirement would be sanctions, which are any measure or restriction (including those often referred to as embargoes), taken by one or more countries, their respective government agencies or by an international organization, which is aimed at restricting dealings of any kind with or involving another country, specific persons, legal entities, organizations or goods. UBS AM and UBS may also deem certain additional countries or industries to be high risk and may restrict business activities with certain countries, governments, government-controlled entities, territories or persons. In some cases, business activities are expressly prohibited, where other cases may require pre-approval from regional compliance personnel before any business activity can be considered.

In addition, UBS AM and UBS have policies in place that prohibit securities of certain companies to be included in actively managed retail or institutional funds and in discretionary mandates. Such prohibitions include, but are not limited to, a ban on companies involved in the development, production or purchase of cluster munitions and anti-personnel mines, pursuant to a Swiss Federal Act on War Materials.

UBS AM typically makes investments for clients in accordance with written investment guidelines or other investment specific documentation for each mandate. Investment services may be tailored for each client's specific needs and objectives, including restrictions on investing in certain securities or types of securities. UBS AM has procedures and controls to monitor compliance with each client's specific investment guidelines.

Providing portfolio management services to wrap fee programs

From time to time, UBS AM is retained by clients of broker-dealers or other investment advisers ("**sponsors**") under managed account programs referred to as "wrap fee" arrangements offered by these sponsors, where the sponsor or the client selects UBS AM from among the investment advisers in the program. The sponsor has primary responsibility for client communications and service, and UBS AM provides investment management or advisory services to the clients. The sponsor generally arranges for payment of UBS AM's advisory fees on behalf of the client, monitors and evaluates our performance, executes the client's portfolio transactions and, in certain cases, provides custodial services for the client's assets, all for a single wrap fee paid by the client to the sponsor. To the extent the single fee also includes transaction costs, clients will pay additional costs when UBS AM executes trades with broker-dealers other than the sponsor. See *Item 5 Fees and Compensation* for a further description of such costs.

UBS AM offers discretionary investment management services to individuals and institutions who are clients of UBS Financial Services Inc. ("**UBS Financial Services**"), an affiliate, as well as other affiliated and unaffiliated broker-dealers and investment advisers. UBS Financial Services' clients may obtain UBS AM's services through the following wrap programs sponsored by UBS Financial Services: ACCESS; Managed Accounts Consulting ("**MAC**"); UBS Strategic Wealth Portfolio ("**SWP**"); Advisor Allocation Program ("**AAP**"); UBS Consolidated Advisory Program ("**UBS-CAP**"); or Advice Portfolio Program. Summaries of these programs are provided below, but wrap program clients should review the applicable Form ADV Part 2A wrap fee program brochures for important additional information.

ACCESS Program. ACCESS offers clients the portfolio management services of a select, pre-screened group of Separately Managed Account ("**SMA**") strategies. ACCESS is a sub-advisory program in which the client hires UBS Financial Services ("**Program Sponsor**") to assist in the process of SMA strategy selection and authorizes the Program Sponsor to hire the managers on their behalf. ACCESS services also include custody at UBS Financial Services, trading and execution through UBS Financial Services, and performance reporting.

In the ACCESS program, clients delegate discretion to the Program Sponsor, and direct the Program Sponsor to hire sub-advisors to manage assets or implement the selected strategies through model portfolio providers or overlay managers ("**SMA Managers**"), subject to client approval. UBS AM is one of the SMA Managers in the ACCESS program, and makes available over one hundred SMAs strategies in the ACCESS Program, including some multi-asset portfolios, equity only and fixed income only portfolios.

For certain of the multi-asset portfolios, the broad asset allocation for the portfolios is aligned with UBS WM Chief Investment Office's ("**CIO**") Capital Market Assumptions and strategic asset allocations and reflects the CIO's active asset allocation views. These portfolios are referred to as the House View Multi-Asset Portfolios (collectively, the "**Portfolios**").

For other multi-asset portfolios that it offers in the ACCESS Program, UBS AM determines the strategic and active asset allocation for those portfolios. These portfolios are normally referred to as AM MAPs (multi-asset portfolios).

UBS AM implements each ACCESS Program portfolio in the clients' accounts with investments, subject to reasonable restrictions, if any, imposed by the client and accepted by UBS AM, in its sole discretion. UBS AM will seek to adhere to these investment restrictions on a reasonable basis. However, if the portfolio selected is a strategy that utilizes commingled vehicles (for example, mutual funds, exchange traded funds or alternative investments), any restrictions placed on the account will not be implemented in the commingled vehicle or the securities purchased by the commingled vehicle.

Accounts with investment restrictions may perform differently from accounts without restrictions, and performance may be lower. For different clients or groups of clients, UBS AM may use different screening tools for monitoring restrictions and client guidelines. Therefore, clients that impose similar restrictions may or may not have similar investments in their accounts. Additionally, accounts with withdrawals and contributions and accounts with tax-loss harvesting requests, may perform differently from accounts without these activities, and performance of these accounts may be lower.

With regard to ACCESS fixed income securities portfolio accounts, at UBS AM's sole discretion, it may or may not accept the contribution of fixed income securities to fund a fixed income securities account. If such securities are accepted, UBS AM may attempt to sell any securities transferred to the account, either at the time the account is initially funded or at a later time, which are not, in UBS AM's sole opinion, appropriate for the account's fixed income securities portfolio strategy. If, under normal market conditions, after seven business days, UBS AM has been unable to obtain reasonable bids for them, it will have the right, in its discretion, at any time upon notice to the client to cease exercising discretion over, or providing any advice with respect to, the relevant securities.

If UBS AM exercises its right, provides notice to the client and thereafter ceases exercising discretion over, or providing any advice with respect to, the securities, the client, and not UBS AM, will be solely responsible for any and all decisions to continue to hold or sell the securities, and UBS AM will cease having any responsibility for the securities. By opening an ACCESS fixed income securities portfolio account and funding it with securities already held by the client (or transferring the securities in the case of a subsequent contribution to the account), the client agrees that UBS AM will have no liability to the client or any other party if UBS AM determines at some point in the future to cease exercising discretion over, or providing any advice with respect to, any of the securities.

Clients should carefully consider these matters before funding an ACCESS account with securities (or transferring the securities in the case of a subsequent contribution to the account) and clients should not fund an account with securities or transfer them if the client is not prepared to accept investment discretion over them at some time in the future, which may be at a time when the securities are completely illiquid, requiring the client to hold them for an indefinite time.

MAC Program. MAC is a consulting program that allows the client to select an SMA Manager in his or her MAC account. Unlike in the ACCESS program, in MAC the client's relationship and the client's investment agreement are directly with the SMA Manager.

UBS Financial Services acts as the client's consultant, but the client delegates discretionary authority directly to the SMA Manager. Through the MAC program, clients pay a wrap fee to UBS Financial Services plus UBS AM's investment management fee, if UBS AM is the SMA Manager. The wrap fee generally includes UBS Financial Services trade execution, custodial and consulting services.

SWP. UBS Strategic Wealth Portfolio Program ("**SWP**") is a non-discretionary managed account program, in which UBS Financial Services provides the client with a personalized asset allocation proposal after the client selects an allocation. The client's SWP account is then invested in a minimum of three sub-accounts or at least two separately managed sub-accounts. The separately managed account ("**SMA**") sub-accounts are managed on a discretionary basis by the selected SMA Managers, and the SMA Managers are responsible for rebalancing the SMA sub-accounts that they manage. UBS AM serves as an SMA Manager in the SWP Program. Sub-accounts with mutual funds and ETFs are non-discretionary and managed by the client.

AAP. The Advisor Allocation Program ("**AAP**") is a fee-based advisory program where UBS Financial Services financial advisor establishes a target allocation based on client's responses to the risk profile questionnaire. AAP is a discretionary unified managed account program that offers separately managed accounts, mutual funds, and exchange traded funds (ETFs), within a single account. Separately managed accounts are sub-advised as in ACCESS.

UBS-CAP. The UBS Consolidated Advisory Program (" **UBS-CAP**"), an advisory program offered by UBS Financial Services, allows clients to obtain holistic portfolio advice under a single advisory agreement UBS Financial Services provides assistance to clients in the development and preparation of a portfolio level asset allocation and an investment policy guideline. Clients can implement their asset allocation and the results of investment searches through one or several advisory programs offered by UBS Financial Services, including ACCESS, MAC and SWP, which are wrap fee programs where UBS AM provides certain advisory services to UBS Financial Services. UBS Financial Services will provide quarterly portfolio evaluation and review of all accounts in each client's UBS-CAP portfolio on a consolidated basis. There will be an option in UBS-CAP where a client may appoint UBS AM as a fully-discretionary manager. In cases where UBS AM is appointed as a fully-discretionary manager, it may use its investment discretion to allocate client's assets to products managed by UBS AM as well as unaffiliated asset managers.

APP. The UBS Advice Portfolio Program ("**APP**") is a wrap fee program that offers investment advice, custody, trading/execution and performance reporting for an asset-based fee. APP offers clients a digital solution in which the client delegate investment discretion over their assets to a UBS investment management team under a specific investment strategy/style selected by the client.

UBS Financial Services is the wrap fee sponsor, and UBS AM is responsible for the development and ongoing maintenance of the model portfolios used in the APP. APP leverages a proprietary portfolio management algorithm licensed from Nvest, Inc, parent company of SigFig Wealth Management LLC, for ongoing monitoring, rebalancing and tax loss harvesting.

Using the strategic asset allocation framework prepared by UBS Financial Services for both taxable and non-taxable accounts, UBS AM is responsible for selecting securities for all of the model portfolios. UBS AM then inputs the model portfolios, including the selected securities and desired weightings, into the algorithm.

Once a client is enrolled in APP, the algorithm will review each client's account on a daily basis to determine if rebalancing is necessary or, if selected, if tax harvesting opportunities are available. UBS AM will receive the daily output from the algorithm and is responsible for trade execution in the client's account.

Providing portfolio management services in other programs

Retirement Plan Manager Program: The Retirement Plan Manager program ("**RPM**"), operated by UBS Financial Services, offers discretionary and non-discretionary investment advisory services to sponsors of participant-directed defined contribution retirement plans. RPM services include selection, review and removal or replacement of investments offered on the retirement plan menu ("**Investment Menu Discretion**") and investment policy assistance, investment reporting, education and plan program support from UBS Financial Services.

UBS Financial Services delegates Investment Menu Discretion to UBS AM pursuant to a sub-advisory agreement. UBS AM directs UBS Financial Services, which investment options to include in the Investment Menu for plans in the program. UBS AM's investment selections for the Investment Menu are limited primarily to mutual funds available through UBS Financial Services for which a due diligence review has been conducted and which are available on the client's record keeper platform.

Additions and removals or replacements of mutual funds from the Investment Menu will be reviewed and approved by UBS AM's Managed Account Solutions Investment Committee. RPM clients should review UBS Financial Services' Form ADV Part 2A Retirement Plan Consulting Program Brochure for important additional information regarding the RPM Program.

Assets under management

Client regulatory assets under management for UBS Asset Management (Americas) Inc. as of December 31, 2022 are as follows:

	US Dollar Amount
Discretionary:	296,625,923,977
Non-Discretionary:	4,255,528,928
Total:	300,881,452,905

Item 5: Fees and Compensation

Overview

This section of the Firm Brochure contains information regarding how we are compensated for our advisory services. We manage assets for clients in separately managed accounts, commingled funds and/or a combination of both. Our fee schedule for the various strategies we manage is included in Appendix A.

Separate Account Management and Certain Commingled Fund Management Fees

In providing investment advisory services, UBS AM is normally compensated on the basis of fees calculated as a percentage of assets under management, subject to a minimum fee charge and a minimum account size.

The "minimum invested" assets shown in our fee schedules in Appendix A below indicate minimum account sizes for separately managed portfolios (other than for portfolios managed through wrap programs in which UBS AM participates as an investment manager). The "minimum fees" indicated are per annum. Please see Appendix A for a complete list of separate account fee schedules.

We provide services to clients where we advise on the total asset level, but may not directly manage all the client assets; this generally occurs with the management of pension plan assets. We may provide pension risk advice, asset allocation recommendations or other strategic investment advice on an entire plan where we also directly manage a portion of the client's total assets. For these accounts, UBS AM will structure its fees in a manner designed to mitigate any conflicts of interests that arise from directly managing assets as well as managing asset allocations at the total plan level.

Certain client accounts may, pursuant to an investment advisory agreement, invest all or a portion of their assets in one or more mutual funds, UCITS, AIFs, separately-managed accounts or other funds managed by UBS AM or an affiliate. In those instances, there is a potential for the client to pay a fee to UBS AM at the level of the investment advisory agreement and also pay fees to UBS AM and/or its affiliates at the underlying fund or SMA level. Absent disclosure to and consent from the client, UBS AM will take steps to avoid duplicate fees being charged to the client. To do so, the account will either be invested in a fund share class in which UBS AM's management fee does not accrue or is waived (e.g., Class P2 shares of mutual funds) or a credit for the fees earned in the fund will be applied to the fee earned at the level of the investment advisory agreement. However, in some instances with disclosure to and consent from the client, UBS AM will retain fees earned at the level of the investment advisory agreement as well as fees earned from managing the funds or SMAs in which UBS AM invested on behalf of the client. This fee structure involves conflicts of interests as UBS AM has an incentive to invest in products that will increase the fees it earns rather than products managed by third parties. UBS AM has a number of policies and internal controls designed to manage this conflict of interests which is fully disclosed in investment management agreements or other disclosure documents.

Certain employee retirement benefit plan clients' assets may be invested in collective investment trust funds ("**CITs**") maintained by UBS Asset Management Trust Company (the "**Trust Company**"). The CITs are investment vehicles through which certain retirement benefit plans and governmental plans commingle their assets for investment purposes. The CITs are exempt from registration under the Investment Company Act. The Trust Company provides fiduciary services to employee benefit retirement plans and serves as the investment manager and trustee for various CITs, including UBS (US) Group Trust. The Trust Company is responsible for the investments made by the CITs, but UBS AM provides investment sub-advisory services to the Trust Company with respect to CITs. The Trust Company may charge a management fee for providing such services and the Trust Company may pay a sub-advisory fee to UBS AM. However, the CITs generally do not pay any additional advisory fees to UBS AM to avoid duplicate fees being charged to a client for the services provided by the Trust Company and UBS AM. In order to invest in a CIT, a client must enter into a participation agreement with the Trust Company pursuant to which the Trust Company is paid management fees or an investment management agreement with UBS AM pursuant to which UBS AM is paid for investment advisory fees. AM's clients investing in CITs pursuant to an investment management agreement will normally be invested in gross-of-fee unit classes where the Trust Company does not charge a management fee.

If permitted by a client's investment guidelines, UBS AM may invest a client account into other pooled funds, such as exchange-traded funds or mutual funds focused on a particular country, region or asset class, in order to quickly and efficiently obtain market exposure. These pooled funds will typically charge management fees with respect to invested assets, in addition to those fees charged by UBS AM. To the extent assets are invested in a pooled fund managed by UBS AM or its affiliates, a fee credit or rebate will be provided to prevent payment of duplicate fees on those assets to UBS AM, absent disclosure and client consent to paying fees at both levels. Clients using our multi-manager investment strategy may also pay management fees to third-party sub-advisers in addition to paying our fees.

UBS AM may also act as investment manager to private funds. UBS AM's fees for such services are based on each investment vehicle's particular structure, investment process and other factors. UBS AM may receive a management and performance fee for management of private funds. The amount and structure of the management fee and/or performance fee varies from fund to fund (and may vary significantly depending on the investment fund) and is set forth in the prospectus or other relevant offering document for each fund. In certain cases, private funds may not have a management fee outside of the pooled investment vehicle, which may be based on a separate fee schedule agreed upon by UBS AM and the applicable investor.

Certain pooled investment vehicles are also subject to subscription and/or redemption/withdrawal fees, including in connection with soft locks (i.e., early redemption penalties), described in the relevant offering documentation. When UBS AM invests client assets in pooled funds, whether managed by UBS AM, its affiliates or unaffiliated third parties, clients will pay fund operating costs such as fund administration, custody, audit and other similar expenses customarily paid for by pooled funds. For certain proprietary funds, such as the UBS Funds, UBS AM or its affiliates will be compensated for any administration, distribution, and/or shareholder services provided to or on behalf of these funds, which compensation is in addition to any investment advisory fees paid directly to UBS AM by our clients.

For certain consulting relationships, fixed fees are available based upon the amount of supervision and advice required.

Clients will also pay transaction costs, in the form of commissions and spreads, to banks, broker-dealers, futures commission merchants and other counterparties in connection with the acquisition and sale of portfolio securities and other instruments in the client's account or a pooled fund managed by UBS AM. Please see *Item 12 Brokerage Practices* for a further discussion regarding UBS AM's brokerage practices.

Registered investment companies fees

UBS AM provides discretionary investment management services to a number of open-end registered investment companies or mutual funds (collectively, the "**Mutual Funds**"). UBS AM typically receives a monthly fee, based on an annual percentage of each Mutual Fund's average daily net assets, in accordance with the investment advisory or investment sub-advisory agreement applicable to that Mutual Fund, and as disclosed in each Mutual Fund's prospectus and statement of additional information. UBS AM may also earn fees for performing fund administration related services for certain Mutual Funds.

Model program fees

For Model Program services, the Model Program Sponsor generally pays UBS AM a quarterly fee, based on an annual percentage of assets in the Model Program managed pursuant to the Model Portfolios. Those fees for Model Portfolios comprised of mutual funds or ETFs are generally based on asset size and generally range from 0.10% of assets to 0.25% of assets. For Model Portfolios comprised of equity securities, Model Program Sponsors generally pay UBS AM fees that range from 0.25% to 0.45% based on the asset class included in the Model Programs. Such fees may be assessed separately on the assets of each client of the

Model Program Sponsor or may be assessed on aggregate assets invested in a particular asset class. These fees are in addition to the fees UBS AM and its affiliates earn for providing services to the funds that comprise the Model Portfolios. UBS AM or the Model Program Sponsor may impose a minimum account size in connection with a Model Program.

Wrap fee programs

UBS AM's compensation pursuant to wrap fee arrangements may be lower than our standard fee schedule; however, the overall cost of a wrap fee arrangement may be higher than the client would otherwise experience by paying UBS AM's standard fees and negotiating commissions with a broker-dealer that are payable on a per transaction basis (either directly in directed brokerage arrangements or through UBS AM when we are authorized to select a broker or dealer), depending on the extent to which securities transactions are or are not initiated for the client by UBS AM during the period covered by the arrangement.

For the ACCESS, SWP, AAP, MAC, UBS-CAP, and Advice Portfolio programs, the investment advisory fee paid to UBS AM will vary depending on the program and strategy selected.

Clients in the ACCESS, SWP, AAP, and Advice Portfolio programs pay an inclusive wrap fee that includes all investment management services, as well as custodial, execution and other services with or through an affiliated broker- dealer. The wrap fee does not include: (i) commissions on transactions effected through broker-dealers other than the sponsor or the sponsor's affiliates; (ii) mark-ups/mark-downs on principal transactions with UBS Financial Services or other broker-dealers; (iii) custody fees imposed by other financial institutions if agreed to by the sponsor, and the client chooses to custody assets at other financial institutions; (iv) internal trust fees; (v) charges imposed by law; (vi) costs relating to trading in foreign securities (other than commissions otherwise payable to sponsor or sponsor's affiliates); (vii) Depositary Receipt ("DR") conversion fees; (viii) foreign dividend fees; (ix) internal expenses, charges and fees that may be imposed by any collective investment vehicles, such as open-end mutual funds, ETFs, closed-end funds, index shares, unit investment trusts, real estate investment trusts, collective investment trusts, or alternative investment funds that may be included as an investment in a portfolio; (x) ADR Sponsor fees; and (xi) other specialized charges, such as premium services investment management fees for certain investment strategies, transfer taxes, exchange and SEC transaction fees. UBS AM will generally attempt to place trades for execution on behalf of wrap accounts with the sponsor because the program fee typically includes execution costs. However, from time-to-time, UBS AM will execute trades away from the sponsor. For equity mandates, UBS AM may, at its discretion, consolidate model driven changes on behalf of wrap accounts with institutional and mutual fund accounts in order to seek to achieve best execution. The wrap fee accounts will then be "stepped out" to the wrap program sponsor for settlement. As a result, costs related to trades executed away from the sponsor such as dealer spreads, mark-ups, mark-downs, exchange fees and other miscellaneous charges may be in addition to the all-inclusive program fee. The sponsor or one of its affiliates will also charge interest on any outstanding loan balances to clients who borrow money from the sponsor or such affiliate. The client also may be charged additional fees by the affiliated broker-dealer for specific account services, such as ACAT transfers, annual and termination fees for retirement accounts, Resource Management Accounts® or Business Services Accounts® and wire transfer charges.

For the ACCESS, SWP, AAP, UBS-CAP, and Advice Portfolio programs, UBS Financial Services, the programs' sponsor, generally pays UBS AM an investment management fee based on the annual percentage of assets under management in a program strategy from the sponsor's own resources. Clients are not billed for the payment of this investment management fee. In addition, for the ACCESS, AAP and SWP Programs, depending on the selected program strategy, UBS AM will receive a premium services investment management fee ranging from 0.05% to 0.35% of assets under management that is billed directly by UBS Financial Services to clients participating in the ACCESS, SWP or AAP programs and paid in addition to the overall ACCESS, SWP or AAP program fee. The premium services investment management fee is charged in accordance with UBS Financial Services' billing practices and is described in the respective program documents and UBS Financial Services' Form ADV.

For the UBS-CAP program where UBS AM is a discretionary manager, if UBS AM invests client assets in mutual funds, ETFs or other commingled funds, the client will also pay the fees and costs charged by the funds, including funds that are managed by and pay fees to UBS AM or its affiliates. UBS-CAP may include an asset allocation strategy where UBS AM has discretion to invest client assets in funds or accounts that are managed by UBS AM and its affiliates or a thirty party. If UBS AM allocates to a fund managed by it or its affiliates. UBS AM and its affiliates will receive investment management fees for managing that fund and UBS AM will receive fees for allocation services. UBS-CAP clients acknowledge and agree to a fee disclosure, consent and conflict waiver. Note that if UBS AM is a discretionary manager in UBS-CAP, ERISA clients are not eligible to participate in UBS-CAP.

For the MAC program, the compensation payable to UBS AM, the client's Financial Advisor and UBS is higher for equity and balanced strategies than it is for fixed income strategies. The range of annual fees charged by investment managers, including UBS AM, in MAC for equity and balanced accounts is generally 0.10% to 1.00% or higher of assets under management. For fixed-income accounts, the range of annual fees is generally between 0.10% and 0.50% of assets under management. However, fees charged by investment managers can vary significantly, depending on the type of investment services offered. UBS AM may group sub-accounts together, or may offer relationship discounts for multiple assignments of a client or group of related clients. Clients may pay fees different from the schedules listed herein based upon the schedules in effect when our or our affiliates' services were retained.

In the wrap fee program, UBS AM may use affiliated money market funds or interest bearing deposit accounts ("**Deposit Accounts**") at UBS Bank USA (the "**Bank**"), an FDIC member institution and an affiliate of UBS AM, for our wrap accounts, for cash allocation, for temporary investment purposes or otherwise. UBS AM, or our affiliates, earn advisory or other fees for providing services to these funds. This compensation is in addition to the fees paid by clients for investment advice. UBS Financial Services receives, to the extent permitted by applicable law, an annual fee of up to $50 from the Bank for each account that sweeps in Deposit Accounts at the Bank.

Additional information concerning wrap fees, commissions and the UBS Financial Services ACCESS, MAC, SWP, AAP, UBS-CAP, and Advice Portfolio programs are provided in the UBS Financial Services Wrap Fee Program Brochure, which is provided to all prospective clients of these programs.

RPM Program

For the RPM program, UBS Financial Services, the program's sponsor, pays UBS AM a fee from the sponsor's own resources. Clients are not billed for the payment of this fee.

RPM clients should review UBS Financial Services' Form ADV Part 2A Retirement Plan Consulting Program Brochure for additional information regarding the RPM Program fees.

Fee negotiation

Fees, minimum fees, and minimum account sizes may be negotiated on a basis differing from the schedules listed in Appendix A if circumstances warrant. Such circumstances include, among other things, the size of the account and the amount and types of services to be provided, as well as our capacity for the type of assignment (including whether it is a new capability). Clients that negotiate fees with different breakpoints may pay a higher fee than as listed in Appendix A as a result of fluctuations in the client's assets under management and/or account performance. Fee schedules for sub-advisory relationships with other financial institutions and for managed account programs may differ from the schedules provided in Appendix A. Fees for accounts managed on behalf of our affiliates may differ from the provided schedules. UBS AM may group sub-accounts together, or may offer relationship discounts for multiple assignments of a client or group of related clients. Clients may pay fees different from the schedules listed herein based upon the schedules in effect when our, or our affiliates, services were retained.

Most Favored Nations clauses

UBS AM may enter into "most favored nations" clauses wherein we agree that the fees charged to a client shall not be more than the most favorable rates we offer to any other comparable client for similar services (i.e., a client for whom UBS AM manages a portfolio of similar size and type, under similar terms and conditions, and with similar commercial expectations). Exceptions to these clauses generally include, but are not limited to, performance or incentive fees, relationship discount arrangements, clients affiliated with UBS AM and clients that were initial investors (founder) in a strategy.

Payment of fees

Generally, UBS AM does not deduct fees from client accounts, but clients may request that their fees be deducted from their account.

Fees are generally charged quarterly, but may be charged more or less frequently, and are generally payable in arrears in U.S. dollars based upon the market value of assets under management at the beginning or end of a quarter. If an advisory relationship begins after the first day of a quarter or terminates before the last day of a quarter, fees are prorated accordingly. We do not typically charge fees in advance; however, if a client pays in advance, the client will receive a refund of any pre-paid fee attributable to any period after the termination. To obtain a refund, the client should contact his or her client relationship manager or the contacts noted above. Pro rata adjustments in advisory fees may be made for material contributions and withdrawals made during the billing period.

Generally, fees will be calculated based upon the aggregate market value of all assets under management within the client's account, including accrued interest and allocations to cash. To the extent any such assets of the account are invested in a money market investment fund managed by the client's trustee/custodian, the client's trustee/custodian will typically charge management fees with respect to such assets, in addition to management fees charged by UBS AM.

UBS AM may bill fees based upon the market value of a client’s account as computed by the client’s custodian or as shown on our internal portfolio accounting system. We reconcile our internal system to the client’s custodian records at least monthly when billing is based on our system. To the extent there are differences between the market value shown on the custodian records versus on our records, material discrepancies will be addressed but immaterial discrepancies will not.

Item 6: Performance-Based Fees and Side-By-Side Management

Overview

In this section of the Firm Brochure, we explain that we have performance-based fee arrangements with clients. We also describe how we manage the conflicts of interests that may arise in managing performance-based accounts alongside other accounts.

Acceptance of performance-based fees

In certain instances, UBS AM may be compensated under performance-based fee arrangements in compliance with Rule 205-3 under the Advisers Act, applicable regulations and opinions of the Department of Labor under the Employee Retirement Income Security Act of 1974 ("**ERISA**") for employee benefit plan clients subject to ERISA, and any other applicable laws or regulations. Performance-based fee arrangements generally involve an asset-based management fee and a performance fee at differing levels of performance relative to an agreed upon benchmark. Performance fees may include a minimum and maximum fee payable, a high water mark and may go up or down depending on performance (e.g., a fulcrum fee). Performance-based fee arrangements are subject to negotiation with the client.

Side-by-side management of performance-based and other accounts

UBS AM manages both accounts that are charged a performance-based fee and accounts that are charged a flat fee or an asset-based fee. Conflicts of interests may arise when managing these accounts side-by-side, as there may be an incentive to favor accounts for which we receive a performance-based fee. UBS AM seeks to mitigate these potential conflicts by implementing a number of compliance policies and business processes. Specifically, prior to implementing performance-based fee arrangements, these arrangements are reviewed by our Firm to assess whether the proposed fee arrangement would unfairly disadvantage any of our clients. In addition, many of our strategies are managed on a model basis, meaning the portfolio managers manage a model for the strategy, and translation of the models into individual client portfolios is handled by multiple other functions within UBS AM. This division of labor imparts checks and balances into the portfolio management process that minimizes the potential for one account to be favored over another.

Our performance measurement team and compliance personnel monitor for dispersion of investment performance among similarly managed accounts to confirm that no accounts are favored ahead of another. We also have a comprehensive trade allocation policy, which is monitored by compliance, to ensure fair and equitable allocation of investments among client accounts. Additionally, portfolio holdings, position sizes and industry and sector exposures tend to be similar across accounts, which may minimize the potential for conflicts of interests.

Item 7: Types of Clients

Overview

In this section of the Firm Brochure, we provide information about the types of clients to whom we provide investment advice. We also discuss the conditions we may impose on the management of client accounts.

General introduction

UBS AM provides investment advice to all types of clients, including: pension, welfare and other employee benefit plans of corporations, state and local governments, and labor unions; other tax exempt organizations such as charitable foundations, educational institutions, endowments; U.S. state and local governments, foreign governments and supranationals; financial intermediaries and quasi-government organizations; insurance companies; banking or thrift institutions; registered and unregistered investment companies; individuals; personal trusts; investment advisers and corporations. UBS AM also advises affiliates that act as trustee or fiduciary of various pooled trusts and funds and advises various limited partnerships for which it or an affiliate acts as investment manager or general partner. UBS AM also acts as the investment manager for wrap fee programs and provides advisory services to Model Programs.

Investment Company Clients

UBS AM is the investment adviser or sub-adviser for various investment companies registered under the Investment Company Act, as well as pooled investment vehicles exempt from registration under the Investment Company Act, including private funds and offshore funds.

Investments in certain funds exempt from registration may be intended only for certain financially sophisticated institutions, companies and individuals who can bear the risk of loss for some or all of an investment. For certain types of funds offered to U.S. investors, U.S. investors must generally satisfy certain investor sophistication requirements, including that the client is an "accredited investor" under Rule 501(a) of Regulation D under the Securities Act of 1933, as amended; a "qualified purchaser" within the meaning of section 2(a)(51) of the Investment Company Act; a "qualified institutional buyer" under Rule 144A under the Securities Act of 1933, as amended; and/or a "qualified eligible person" under Rule 4.7 of the Commodity Exchange Act.

ERISA Clients

UBS AM provides both discretionary investment management services and non-discretionary investment advisory services to clients that are employee benefit plans covered by Title I of ERISA. For ERISA plan clients, UBS AM is usually a "covered service provider" to the plan for purposes of ERISA Section 408(b)(2). UBS AM provides services to ERISA plans both as a registered investment adviser under the Advisers Act and as a fiduciary within the meaning of ERISA Section 3(21). When providing discretionary investment management services to ERISA plans, it also serves as an investment manager as defined in ERISA Section 3(38). In addition to institutional separate accounts for ERISA clients, UBS AM may serve as an ERISA fiduciary to plans whose assets we manage through wrap fee programs or through certain investment vehicles (e.g., private funds, collective investment trusts, etc.) whose assets are treated as plan assets under ERISA.

When providing services to ERISA plan accounts, UBS AM may rely on class Prohibited Transaction Exemption (PTE) 84-14 (the "**QPAM exemption**"). To the extent UBS AM relies on the QPAM exemption, it must also comply with individual PTE 2020-01, issued by the Department of Labor, which, among other conditions, requires UBS AM to maintain, implement and follow written policies and procedures. ERISA plan clients have a right to obtain a copy of the written policies and procedures developed in connection with the individual PTEs.

Conditions for managing accounts

UBS AM has certain requirements for opening or maintaining an account. All clients are required to enter into a written investment advisory agreement prior to the establishment of an advisory relationship. In addition, UBS AM conducts anti-money laundering/know your customer (AML/KYC) due diligence on clients in accordance with its AML/KYC procedures.

As described in *Item 5 Fees and Compensation,* for institutional account management, UBS AM generally requires minimum fees and minimum account sizes as set forth in Appendix A. Advisory agreements generally provide for termination on not more than 30 days' written notice. Minimum fees and account sizes for wrap programs in which we participate as an investment manager are set between us and the sponsor of the wrap program, on a program specific basis. Minimums for wrap fee programs for which UBS AM is the sponsor are described in the disclosure brochures for those programs.

Legal proceedings—class actions and other matters

For separately managed accounts, UBS AM does not normally advise or act for the client in legal proceedings, including class actions, bankruptcies or other similar legal matters with respect to securities held or that were held in a client account. UBS AM encourages clients to contact their custodians to ensure they are receiving the proper notification of any such legal proceedings. Further, UBS AM encourages clients to seek the advice of counsel regarding the participation and filing requirements associated with such matters. UBS AM will not be responsible for any failure to meet the filing or other requirements of legal proceedings with respect to securities held or that were held in a client account.

Tax matters

UBS AM does not advise or act for the client on tax matters. UBS AM encourages clients to seek independent professional advice on any taxation matters. UBS AM will not be responsible for any failure to meet the filing or other requirements of tax proceedings with respect to securities held or that were held in a client account.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Overview

This section of the Firm Brochure describes the methods of analysis we use to formulate investment advice and manage assets. We also discuss the material risks that clients should generally consider when investing in any of our strategies.

General introduction

As stated in *Item 4 Advisory Business,* UBS AM provides investment advisory, sub-advisory and portfolio management services, including asset allocation and strategic investment strategies, primarily through UBS Asset Management's Equities, Fixed Income and Investment Solutions platforms as well as the REPM's (Real Estate & Private Markets) - DINFRA (Direct Infrastructure) , MM-RE (Multi Manager-Real Estate), MM-PE (Multi Manager-Private Equity), MM-INFRA (Multi Manager Infrastructure) and MM-PC (Multi Manager Private Credit) businesses. We may add investment groups, and our current investment groups may offer additional strategies at any time.

Analyses for Equities, Fixed Income, Investment Solutions and Real Estate & Private Markets (REPM)

UBS AM employs a number of investment strategies in connection with its investment management services, depending upon the type of client, investment discipline chosen and a client's investment guidelines and objectives. World economies and financial markets are interactive. Thus, investment management, both within and across global equity and bond markets, must be based upon comprehensive knowledge and analyses of integrated investment fundamentals.

UBS AM's value equity investment process estimates expected future cash flows to investors, incorporating analysts' considerations of company management, competitive advantage, and core competencies. These value estimates are then discounted to the present and compared to current market prices and ranked against other stocks. Portfolios are then constructed by purchasing those stocks believed to be undervalued (or selling short those believed to be overvalued for accounts that permit short-selling), with consideration given to market sensitivity, common factor exposures and industry weightings.

Our growth equity investment process engages in classic growth-style investing. We seek to invest in companies that we believe have superior growth prospects where estimates of the length and/or magnitude of earnings growth exceeds market expectations.

Our quantitative investments strategies employ proprietary analytics and quantitative methods in elements of the investment process. The strategies are united in a common philosophy that emphasizes systematic approaches combined with human involvement in seeking the delivery of consistent investment performance.

In UBS AM's fixed income investment area, sector selection, security selection, duration management and yield curve positioning all play an integral role in building portfolios. Top-down factors, including sector positioning and duration/yield curve, define strategy and set a quantitative framework (asset allocation is determined at the sector level). After establishing these parameters, sector specialists and credit analysts work in close collaboration to select securities to build optimal portfolios.

UBS AM incorporates sustainability in its research process and the investment decision-making process with the objective to enhance returns and mitigate risk. The integration of environmental, social and governance ("**ESG**") considerations is driven by a focus on taking better account of the most financially relevant sustainability factors that impact investment decisions, rather than being driven by ethical principles or norms. The analysis of ESG factors draws on different ESG data sources, both qualitative and quantitative, covering a wide range of topics including carbon footprint, climate risk, health and well-being, human rights, supply chain management, fair customer treatment and governance. The assessment of the material impact of ESG issues on the investment case is required as part of the fundamental assessment process of fundamental analysts within active equities and certain active fixed income strategies. UBS AM may still invest in securities with a higher ESG risk profile where the portfolio managers believe the potential compensation outweighs the risks identified.

In addition, UBS AM offers Sustainability focus strategies where the portfolio construction process includes ESG risk screening which is intended to lead to a better sustainability profile than the benchmark. The Sustainability focus approach applies exclusions related to conduct-based standards such as the United Nations Global Compact, or product-based exclusions such as tobacco, military weapons, and genetically modified organisms for the agricultural sector. Moreover, Sustainability focus strategies may apply additional ESG positive screening to identify securities of companies that we believe are attractive based on specific sustainability factors and ESG considerations such as "low carbon", "better ESG ratings", or "improved gender diversity". Our Firm then combines this information with additional financial analysis and research to identify companies that we believe will provide attractively valued and sustainable investment opportunities.

UBS AM may also employ passive or risk-controlled strategies to its selection of securities and construction of portfolios.

Investment Solutions

Multi-Asset Portfolios

In UBS AM's asset allocation investment process employed by the Investment Solutions team, we seek price/intrinsic value discrepancies across capital markets (at the asset class, country, and currency levels), and within capital markets (through sector, sub-sector and individual security selection). Portfolios are monitored and rebalanced with both risk and return considerations in mind. Value estimates and investment decisions are based on analysis of forward-looking investment fundamentals.

Investment Solutions also supports clients in a wide range of investment-related functions - how to determine investment policy, how to incorporate alternatives in multi-asset portfolios, how to evaluate and manage risk, how to invest with a liability profile in mind, how to integrate ESG and how to include strategies from a range of managers or how to outsource the investment function entirely.

For multi-asset portfolios, the portfolio design drives the amount of sustainable content portfolio managers allocate to the underlying strategies.

In addition to the minimum threshold for ESG-integrated or Sustainability focused content that are driven by the portfolio design, the extent of the use of external managers in multi-asset portfolios varies, ranging from multi-asset portfolios that use primarily internal capabilities, to a mix of internal and external capabilities, and to portfolios using exclusively external capabilities.

For underlying strategies managed by UBS AM, UBS AM identifies ESG-integrated assets resulting from the ESG integration research process described above. For externally managed strategies, ESG-integrated assets are identified via our third-party manager research process which is described below. External strategies are evaluated through the same lens that we apply to our own sustainability processes, although we do not have control or direct influence with regard to external managers' data sources or sustainable investment process.

Investment Solutions Manager Research

Our initial research process is both quantitative and qualitative. The evaluation of external strategies is subject to the same rigor to ensure that external managers deliver to their respective stated objectives. However, UBS AM cannot specify the methodology, data providers and sources, or the exact application of the criteria in its investment process. Instead, through in-depth, comprehensive research conducted by our portfolio managers and research analysts, UBS AM evaluates external strategies to assess whether they meet UBS's standards as well as their overall suitability for use within UBS AM multi-asset, multi-manager portfolios.

We regularly monitor externally managed strategies to ensure that they continue to meet their investment objectives as expected, including any objectives related to sustainability. This includes the collection of standardized quarterly due diligence questionnaires focused on capturing any changes to the elements underlying the team's investment thesis as well as progress on sustainability objectives with custom questions directed to ESG-integrated, sustainable, and impact-type investments.

The assessment of the third-party manager data allow us to identify change (either positive or negative), focusing on the various key aspects of the strategy established during the initial due diligence process.

After assessing the applicable data, follow-up calls or meetings with managers may also be performed to discuss any material changes that have been identified. This additional due diligence will either reconfirm our conviction that external managers will likely continue to meet their stated objectives, or it might establish that our expectations for the strategy have changed. If further engagement does not satisfactorily address the short-coming, the team will typically seek a replacement strategy, if the short-coming is severe enough for the strategy to fall out of alignment with our expectations.

Sources of Information

In conducting its investment analyses, UBS AM uses various sources of information, including, but not limited to, the following: financial newspapers, magazines, electronic data services, third-party ESG data providers, and benchmarks; inspections of corporate activities; research materials prepared by others; public regulatory filings, such as annual reports, prospectuses and other filings with the SEC or other regulatory authorities; company press releases and market data services. Original research developed by UBS AM and our affiliates will also be utilized for certain investment strategies.

UBS AM and/or its affiliates use "uncommon" or non-conventional sources of information where, using a long-term focus, analysts gather information concerning the ability of individual companies to generate profits, as well as analyze industry competitive strategy, structure, and global integration. On-site company visits examine the characteristics of each company, (i.e., balance sheet fundamentals, culture, productivity, pricing, etc.). A management checklist helps to focus analysts on the more qualitative aspects of the analytical decision-making process. Analysts attempt to identify the critical variables and assumptions underlying a valuation analysis. These valuations and insights, in conjunction with observed market prices, define relative attractiveness comparisons within and across markets. From this research, we form critical inputs into our valuation models which are then used as a ranking tool to determine the relative attractiveness of individual securities and markets.

Investment Strategies for Equities, Fixed Income and Investment Solutions

Equities, Fixed Income and Investment Solutions manage portfolios primarily based on a long-term, fundamental analysis described above, but may also employ different strategies as dictated by client investment guidelines and/or market conditions. Certain investment guidelines and/or market conditions may present greater investment risks than others. We may manage portfolios based on relative return strategies where a client specifies an index to which their account should be managed or, based on non-relative return strategies where risk/return, portfolio construction decisions are made, without reference to an index. Clients may specify *ex ante*, or forward-looking risk/return targets or objectives, in their investment guidelines that we will use in the portfolio construction process. Such risk/return targets are generally not used *ex post*, or after the fact, as indications of levels of actual portfolio returns.

UBS AM primarily employs investment strategies that are long-only at the security level but may allow long and/or short positions in markets, currencies or other portfolio factors through the use of derivatives. We may also employ long/short investment strategies that purchase securities on margin and/or sell securities short where permitted by client guidelines.

In addition to the investment teams mentioned above, UBS AM may add additional investment groups that manage other strategies and its current investment groups may offer additional strategies at any time. The methods of analysis and investment strategies not specifically mentioned will generally be similar to those set forth herein.

Analyses and Investment Strategies for Real Estate & Private Markets ("REPM")

Multi-Manager Real Estate (MM-RE)

UBS Asset Management's MM-RE business unit within REPM provides clients with bespoke portfolios and funds invested in listed/unlisted funds that invest in real estate and real estate interests (e.g., real estate debt) (each a "Real Estate Fund").

MM-RE conducts in depth due diligence on real estate funds selected for portfolios. Investments can be drawn from global, regional or domestic markets and can be positioned across a risk-return spectrum. MM-RE portfolios are intended to offer investors efficient access to a range of carefully selected real estate investment strategies (including core, value-added, and opportunistic strategies) which can provide diversified exposure to a defined range of real estate markets, property types and risk profiles. Investments are selected in accordance with investment objectives and guidelines agreed upon with the client. MM-RE portfolios are intended for long-term investors who can accept the risks associated with making potentially less liquid investments in real estate funds.

MM-RE also leverages the experience, skills and processes of UBS Asset Management in terms of global research and strategy, investment management, regulatory and risk management, and client reporting. Further, MM-RE builds on the established REPM platform, with a presence in the major real estate markets, which allows access to best-in-class investment managers, real estate funds and investment strategies.

Multi-Manager Private Equity (MM-PE)

UBS AM's MM-PE business unit within REPM constructs portfolios of private equity funds operated by third-party managers. The investment area is responsible for sourcing investment opportunities, monitoring existing and prospective investments, and portfolio management of diversified mandates. MM-PE conducts in depth due diligence on private equity funds selected for portfolios.

Investments can be drawn from global, regional or domestic markets and can be positioned across a risk-return spectrum. MM-PE portfolios are intended to offer investors efficient access to a range of carefully selected private equity strategies which can provide diversified exposure to private equity. Investments are selected in accordance with investment objectives and guidelines agreed upon with the client. MM-PE portfolios are intended for long-term investors who can accept the risks associated with making potentially less liquid investments in private equity funds. MM-RE also leverages the experience, skills and processes of UBS Asset Management in terms of global research and strategy; investment management; regulatory and risk management; and client reporting.

Multi Manager – Private Credit (MM-PC)

MM-PC offers diversified Private Credit commingled products and mandates that span Short Duration, Core Income and Opportunistic Private Credit strategies. MM-PC's portfolios benefit from the skills, experience and network of a dedicated investment team who implement investment strategies targeting attractive, risk-adjusted Private Credit opportunities across the globe.

Private credit, also known as private debt, refers to non-bank lending that is not regularly traded on public markets. Given the private nature of most asset classes within private credit, the strategy and ultimate returns are primarily impacted by the economy and changes to the credit cycle, as opposed to the market volatility observed with tradable assets. Credit markets are made up of securities and loans that sit along a continuum of liquidity – from directly originated (bilateral) to broadly syndicated.

Infrastructure -Direct Investment (INFRA) and Multi-Manager (MM-INFRA)

Infrastructure assets are the permanent assets that a society requires to facilitate the orderly operations of its economy. Transportation networks, health and education facilities, communications networks, water, energy and renewable energy distribution systems provide essential services to communities. Examples of infrastructure assets include:

- Transportation assets, such as toll roads and airports;
- Utility, energy and renewable energy assets, such as water, power generation, electricity and gas networks and fuel storage facilities, wind, solar and battery storage facilities;
- Communications infrastructure, such as transmission towers; and
- Social infrastructure, such as education, recreation, and healthcare facilities.

The high barriers to entry and the monopoly-like characteristics of typical infrastructure assets mean that their financial performance should not be as sensitive to the economic cycle as many other asset classes. Investments are generally low risk given the stable and growing demand for the essential services provided, together with the regulation of the businesses and/or long-term contractual protection of revenues.

Infrastructure direct investment and multi-managers infrastructure strategies form part of the broader REPM business area.

For infrastructure direct investments, a dedicated team manages direct investments in infrastructure equity and debt investments globally. The investment capabilities provide institutional and other long-term investors the opportunity to generate attractive risk-adjusted returns in real assets.

Infrastructure - Energy Storage (ES) is a part of REPM Infrastructure and was launched in late 2021. ES was purpose-built to capitalize on the nascent US energy storage market and will manage ES strategies.ES utilizes the Portfolio Managers’ expertise and deep experience in the US energy storage market, while leveraging REPM Infrastructure’s established platform and dedicated resources.

Multi-managers infrastructure (MM-INFRA) constructs portfolios of infrastructure funds operated by third-party managers. The investment area is responsible for sourcing investment opportunities, monitoring existing and prospective investments, and portfolio management of diversified mandates.

In REPM, the business incorporates ESG factors into their investment processes starting with due diligence. Our approach is to integrate sustainability where possible, leveraging best practices. Within our multi-asset business, ESG assessment is conducted through a combination of ESG questionnaires and engagement with the underlying managers and companies.

Management of collateral

Certain types of investments, such as futures, forwards, swaps and certain mortgage securities, require the posting of margin or collateral to counterparties or in some cases to third-party safe-keeping accounts. UBS AM uses a software application to assist with the process of managing the flow of collateral to and from the counterparty.

Material risks

All investments carry a certain amount of risk, and UBS AM cannot guarantee that it or any client will achieve its investment objective. A client may lose money by investing a strategy managed by UBS AM. An investment with the Firm is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Below are some of the specific risks of investing with the Firm, and a summary of certain risks that may be associated with our strategies. However, it is not possible to identify all of the risks associated with investing.

This list of risk factors is not a complete enumeration or explanation of the risks involved in a strategy, as the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities or other investments held. While UBS AM seeks to manage accounts in a manner where risks are appropriate to the strategy or objective, it is often not possible or desirable to fully mitigate risks.

Prospective clients should read this entire Firm Brochure. Clients who invest in funds managed by UBS AM should carefully read the relevant prospectus or offering memorandum for specific information applicable to that particular vehicle. Clients should also consult with their own legal, financial, and tax advisors before deciding whether to invest in a strategy or fund.

- *Management risk:* The risk that the investment strategies, techniques and risk analyses employed by UBS AM may not produce the desired results. UBS AM may be incorrect in its assessment of the value of securities or assessment of market or interest rate trends, which can result in losses to investments. Also, in some cases, derivatives or other investments may be unavailable or UBS AM may choose not to use them under market conditions when their use, in hindsight, may be determined to have been beneficial.

- *Market risk:* The risk that the market value of the investments may fluctuate, sometimes rapidly or unpredictably, as the stock and fixed-income markets fluctuate. Market risk may affect a single issuer, industry or sector of the economy, or it may affect the market as a whole. In addition, turbulence in financial markets and reduced liquidity in equity and/or fixed-income markets may negatively affect investments. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. Events such as war, acts of terrorism, natural disasters, recessions, rapid inflation, the imposition of international sanctions, pandemics or other public health threats could also significantly impact in a strategy or fund and its investments. These risks may be magnified if certain events of developments adversely interrupt the global supply chain, and could affect companies worldwide. Recent examples include pandemic risks related to the novel coronavirus ("**COVID-19**") and the aggressive measures taken worldwide in response by (i) governments, including closing borders, restricting travel and imposing prolonged quarantines of, or similar restrictions on, large populations, and (ii) businesses, including forced or voluntary closures, changes to operations and reductions of staff. The effects of COVID-19 have contributed to increased volatility in global financial markets and may affect certain countries, regions, companies, industries and market sectors more dramatically than others. The COVID-19 pandemic has had, and any other outbreak of an infectious disease or serios environmental or public health concern could have, significant negative impact on economic and market conditions, could exacerbate pre-existing political, social and economic risks in certain countries or regions and could trigger a prolonged period of global economic slowdown. It is not known how long the impact of the COVID-19 pandemic will, or future impacts of other significant events would, last or the severity thereof. To the extent investments are overweight in certain countries, regions, companies, industries or market sectors, such positions will increase the risk of loss from adverse developments affecting those countries, regions, companies, industries or sectors.

- *Risk of loss:* Investing in securities involves risk of loss that clients should be prepared to bear. The investment decisions that UBS AM makes for a client are subject to various market, currency, economic, political and business risks, and our investment decisions based on such factors will not always be profitable.
- *No guarantee of investment objectives*: UBS AM does not guarantee or warrant that a client's account will achieve its investment objectives, performance expectations, risk and/or return targets.
- *No government guarantee*: An investment in an account or fund managed by UBS AM is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

- *Personnel risk*: UBS AM generally utilizes a team approach to managing investment portfolios.

  However, certain strategies may be dependent upon the expertise of certain key personnel, and any future unavailability of their services could have an adverse impact on the performance of clients invested in such strategies.

- *Diversification and liquidity risk:* Unless otherwise agreed upon by a client and UBS AM, we will not be responsible for the client's overall diversification, asset allocation, or liquidity needs. In addition, certain of our strategies may be non-diversified, hold illiquid assets and/or hold a low number of investments. There is a risk that investments cannot be readily sold at the desired time or price, and UBS AM may have to accept a lower price or may not be able to sell the security or investment at all. An inability to sell securities or the investment can adversely affect the value of investments or prevent UBS AM from taking advantage of other investment opportunities. Liquid portfolio investments may become illiquid or less liquid after purchase due to low trading volume, adverse investor perceptions and/or other market developments. In recent years, the number and capacity of dealers that make markets in fixed income securities has decreased. Consequently, the decline in dealers engaging in market making trading activities may increase liquidity risk, which can be more pronounced in periods of market turmoil. Liquidity risk may be magnified in a rising interest rate environment or when investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity. Liquidity risk includes the risk that a fund may experience significant net redemptions at a time when it cannot find willing buyers for its portfolio securities or investments or can only sell its portfolio securities/investments at a material loss.
- *Non-diversification risk:* The risk that a fund or mandate will be more volatile than a diversified portfolio because it invests its assets in a smaller number of issuers. The gains and losses on a single security or investment may, therefore, have a greater impact on a portfolio. In addition, a strategy that invests in a relatively small number of issuers or of investments is more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified strategy might be.
- *Tax liability risk:* Tax liability risk is the risk of noncompliant conduct by a municipal bond issuer, resulting in distributions issued to shareholders that may be taxed as ordinary income.
- *Regulatory Risk:* Following the 2008 financial crisis, many jurisdictions passed legislation and issued or proposed regulatory rules broadly affecting the financial services industry and markets. In the U.S., the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), which includes the Volcker Rule, implemented extensive changes in the regulation of over-the-counter derivatives, regulatory capital requirements, bank proprietary trading and covered fund activities and compliance with consumer financial laws, among others. In the European Union, the Markets in Financial Instruments Directive II ("**MiFID II**") included a number of significant changes to the financial markets in the EU, including changes to the regulation of financial instruments and the venues in which they are traded. These rules, among many others changing tax and other regulatory matters, affect the financial services industry and markets in ways that are difficult to assess. The rules and the differences in them among various jurisdictions may make it more costly and time consuming to effect investment transactions in various markets around the world. The broader impacts of the sweeping regulatory reform on markets generally and pricing and liquidity of financial instruments are unknown. These changes may adversely affect the value of client investments, the opportunities to pursue client investment strategies and objectives, and may negatively impact the performance of client accounts.

  The Volcker Rule restricts the ability of the investment manager to a pooled investment fund, meeting the definition of a "covered fund", from engaging in certain types of transactions on behalf of the covered fund with its affiliates. The types of transactions generally restricted are those involving credit risk between the advisor and the affiliated counterparty. These restrictions could adversely impact covered funds by preventing them from obtaining seed capital, loans or other commercial benefits from UBS.

- *ESG/Sustainability Risks*: UBS AM may consider ESG factors when making recommendations or selecting investments which may reduce the investment universe for actively managed strategies. When considering such factors, UBS AM may not make or recommend certain investments when it would otherwise have done so, which could adversely affect the performance of accounts. Additionally, investments that we deem attractive based on ESG factors may be more concentrated in certain sectors than if UBS AM were to consider a wider scope of investments. Furthermore, since ESG is a broad concept, UBS AM's interpretation of, and qualifications for, an ESG investment selection may differ from other interpretations of the same company.

  For ESG-focused fund strategies, the investment universe will be reduced when UBS AM employs the negative screening process for investment selections. While this process does reduce the global universe of available equities, we do not expect it to have a material impact on portfolio construction or strategy.

- *LIBOR Transition Risk:* A client account's investments and payment obligations may be based on floating rates, such as the London Interbank Offered Rate ("**LIBOR**") and other similar types of reference rates. On July 27, 2017, the UK Financial Conduct Authority ("**FCA**"), which regulates LIBOR, announced that the FCA will no longer persuade nor compel banks to submit rates for the calculation of LIBOR after 2021. Although many LIBOR rates were phased out at the end of 2021 as originally intended, a selection of widely used USD LIBOR rates will continue to be published until June 2023 in order to assist with the transition. There remains uncertainty regarding the effect of the LIBOR transition process; and therefore, any impact of a transition away from LIBOR or the instruments in which a client account invests cannot yet be determined.

  In June 2017, the Alternative Reference Rates Committee, a group of large US banks working with the Federal Reserve, announced a replacement for LIBOR, the Secured Overnight Funding Rate ("**SOFR**"). The Federal Reserve Bank of New York began publishing the SOFR in April 2018, which is a broad measure of the cost of overnight borrowing of cash collateralized by Treasury securities. SOFR is intended to serve as a reference rate for US dollar-based debt and derivatives and ultimately reduce the markets' dependence on LIBOR. Bank working groups and regulators in other countries have suggested other alternatives for their markets, including the Sterling Overnight Interbank Average Rate in the UK.

  Additionally, industry trade associations and participants are focusing on the transition mechanisms by which reference rates (including LIBOR) and spreads (if any) in existing contracts or instruments may be amended, whether through market-wide protocols, fallback contractual provisions, bespoke negotiations or amendments or otherwise. The transition process could lead to a reduction in the value of some LIBOR-based investments and reduce the effectiveness of new hedges placed against existing LIBOR-based instruments. Various pieces of legislation, including enacted legislation from the states of New York and Alabama and the US Congress, may affect the transition of LIBOR-based instruments as well by permitting trustees and calculation agents to transition instruments without effective LIBOR fallback language to a successor reference rate. Such pieces of legislation also include safe harbors from liability, which may limit the recourse a holder may have if the successor reference rate does not fully compensate that holder for the transition of an instrument from LIBOR. It is uncertain what impact any such legislation may have. Investments without fallback language, or with fallback language that does not contemplate the discontinuation of LIBOR, could become less liquid and/or change in value as the date approaches when LIBOR will no longer be updated. UBS AM and/or its affiliates may have discretion to determine a successor or substitute reference rate, including any price or other adjustments to account for differences between the successor or substitute reference rate and the previous rate. Such successor or substitute reference rate and any adjustments selected may negatively impact a client account's investments, performance or financial condition, and may expose a client to additional tax, accounting and regulatory risks. At this time, it is not possible to exhaustively identify or predict the effect of any changes to reference rates, any establishment of alternative reference rates or any other reforms to reference rates. The elimination of LIBOR or reforms to the determination or supervision of reference rates may affect the value, liquidity or return on, and may cause increased market volatility for, certain investments and may result in costs incurred in connection with closing out positions and entering into new trades.

- *Models*: *Risk of Programming and Modeling Errors:* UBS AM's research and modeling process is extremely complex and involves financial, economic, econometric and statistical theories, research and modeling; the results of that process must then be translated into computer code. Although UBS AM seeks to hire individuals skilled in each of these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product raises the chances that the finished model may contain an error; one or more of such errors could adversely affect a client's portfolio. If a model or a portion of the model proves to be incorrect or incomplete, any decisions made in reliance thereon expose a client's portfolio to potential risks of loss. This is also true for third party models that are supplied by external entities. In addition, some of the models used by UBS AM are predictive in nature. The use of predictive models has inherent risks. Because predictive models are usually constructed based on historical data supplied by third parties, the success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data. All models rely on correct market data inputs. If incorrect market data is entered into even a well-founded model, the resulting information will be incorrect. However, even if market data is input correctly, "model prices" will often differ substantially from market prices, especially for securities with complex characteristics, such as derivative securities.
- *Passively managed portfolio risks*: For passively managed portfolios that seek to track or match the performance of a particular index, UBS AM does not generally take steps to reduce the portfolio's market exposure or to lessen the effects of declining markets. In addition, a passively managed portfolio's performance may not be identical to the performance of its index due to various factors, including, without limitation, the fees and expenses borne by the portfolio, the timing of trade execution, and cash flows into and out of the portfolio. Investors may not invest directly in an index. Indices are not managed, and do not reflect management fees and transactions costs generally associated with certain investments or advisory services.
- *Risk of equity instruments:* Risks associated with investing in equity securities include:
  - The stock markets where a portfolio's investments are traded may go down.
  - An adverse event, such as negative press reports about a company in the portfolio, may depress the value of the company's stock.
  - Small- and mid-capitalization risk—The risk that investments in small and medium size companies may be more volatile than investments in larger companies, as small and medium size companies generally experience higher growth and failure rates. In addition, it may be more difficult to obtain information about small and mid-capitalization companies and their securities may be more difficult to value. The trading volume of these securities is normally lower than that of larger companies. Such securities may be less liquid than others and could make it difficult to sell a security at a time or price desired. Changes in the demand for these securities generally have a disproportionate effect on their market price, tending to make prices rise more in response to buying demand and fall more in response to selling pressure.
- *Risk of fixed income investments:* Risk associated with investing in fixed income securities include:
  - *Interest rate risk:* The risk that changing interest rates may adversely affect the value of an investment. An increase in prevailing interest rates typically causes the value of fixed income securities to fall. Changes in interest rates will likely affect the value of longer-duration fixed income securities more than shorter-term securities and higher-quality securities more than lower-quality securities. When interest rates are falling, some fixed income securities provide that the issuer may repay them earlier than the maturity date, and if this occurs the fund may have to invest these repayments at lower interest rates. A fixed income portfolio may face a heightened level of interest rate risk due to certain changes in monetary policy, such as certain types of interest rate changes by the Federal Reserve. Interest rate changes can be sudden and unpredictable, and are influenced by a number of factors including government policy, inflation expectations and supply and demand. A substantial increase in interest rates may

have an adverse impact on the liquidity of a security, especially those with longer maturities. Changes in government monetary policy, including changes in tax policy or changes in a central bank's implementation of specific policy goals, may have a substantial impact on interest rates. There can be no guarantee that any particular government or central bank policy will be continued, discontinued or changed nor that any such policy will have the desired effect on interest rates. The risks associated with rising interest rates may be more pronounced in the near future as interest rates rise from historically low rates. During periods when interest rates are low or there are negative interest rates, fixed income portfolio's yield (and total return) also may be low or the portfolio may be unable to maintain positive returns or minimize the volatility of the portfolio's net asset value.

– *Credit risk:* The issuer may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. Lower-rated bonds may have less liquidity and be more difficult to value particularly in declining markets.

– *Prepayment risk:* If interest rates decline, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the account to reinvest in lower yielding securities.

– *Extension risk:* If interest rates rise, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security.

– *Counterparty risk:* The risk that the counterparty to the transaction will default on its obligations under the relevant contract, including due to its financial failure or insolvency, and the related risks of having concentrated exposure to such a counterparty.

- *Municipal securities risk:* Municipal securities are subject to interest rate, credit, illiquidity, market and political risks. The ability of a municipal issuer to make payments and the value of municipal securities can be affected by uncertainties in the municipal securities market, including litigation, the strength of the local or national economy, the issuer's ability to raise revenues through tax or other means, and the bankruptcy of the issuer affecting the rights of municipal securities holders and budgetary constraints of local, state and federal governments upon which the issuer may be relying for funding. Municipal securities and issuers of municipal securities may be more susceptible to downgrade, default and bankruptcy as a result of recent periods of economic stress. In addition, the municipal securities market can be significantly affected by political changes, including legislation or proposals at either the state or the federal level to eliminate or limit the tax-exempt status of municipal bond interest or the tax-exempt status of a municipal bond fund's dividends. Similarly, reductions in tax rates may make municipal securities less attractive in comparison to taxable bonds. Legislatures also may be unable or unwilling to appropriate funds needed to pay municipal securities obligations. These events can cause the value of the municipal securities held by a portfolio to fall and might adversely affect the tax-exempt status of a fund's investments or of the dividends that a portfolio pays. Lower-rated municipal securities are subject to greater credit and market risk than higher quality municipal securities. In addition, third-party credit quality or liquidity enhancements are frequently a characteristic of the structure of municipal securities. Problems encountered by such third-parties (such as issues negatively impacting a municipal bond insurer or bank issuing a liquidity enhancement facility) may negatively impact a municipal security even though the related municipal issuer is not experiencing problems. Municipal bonds secured by revenues from public housing authorities may be subject to additional uncertainties relating to the possibility that proceeds may exceed supply of available mortgages to be purchased by public housing authorities, resulting in early retirement of bonds, or that homeowner repayments will create an irregular cash flow. Further, unlike many other types of securities, offerings of municipal securities traditionally have not been subject to regulation by, or registration with, the SEC, resulting in a relative lack of information about certain issuers of municipal securities.

- *Foreign investing risk*: The risk that prices of a fund or mandate's investments in foreign securities may go down because of unfavorable foreign government actions, political instability or the absence of accurate information about foreign issuers. In addition, political, diplomatic, or regional conflicts, terrorism or war, social and economic instability, and internal or external policies or economic sanctions limiting or restricting foreign investment, the movement of assets or other economic activity may affect the value and liquidity of foreign securities. The imposition of sanctions by governmental or supranational authorities on securities may hamper or prevent the trading of such securities and thus significantly lower their value. Also, a decline in the value of foreign currencies relative to the US dollar will reduce the value of securities denominated in those currencies. In addition, foreign securities are sometimes less liquid and harder to sell and to value than securities of US issuers. Each of these risks is more severe for securities of issuers in emerging market countries.
- *Emerging market risk*: The risk that investments in emerging market issuers may decline in value because of unfavorable foreign government actions, greater risks of political instability or the absence of accurate information about emerging market issuers. Further, emerging countries may have economies based on only a few industries and securities markets that trade only a small number of securities and employ settlement procedures different from those used in the United States. Prices on these exchanges tend to be volatile and, in the past, securities in these countries have offered greater potential for gain (as well as loss) than securities of companies located in developed countries. Issuers may not be subject to uniform accounting, auditing and financial reporting standards and there may be less publicly available financial and other information about such issuers, comparable to US issuers. Governments in emerging market countries are often less stable and more likely to take extralegal action with respect to companies, industries, assets, or foreign ownership than those in more developed markets. Moreover, it can be more difficult for investors to bring litigation or enforce judgments against issuers in emerging markets or for US regulators to bring enforcement actions against such issuers. Further, investments by foreign investors are subject to a variety of restrictions in many emerging countries. Countries such as those in which a fund or mandate may invest may experience high rates of inflation, high interest rates, exchange rate fluctuations or currency depreciation, large amounts of external debt, balance of payments and trade difficulties and extreme poverty and unemployment.
- *Investments in Russian securities:* Following Russia's invasion of Ukraine in February 2022, the United States and other governments have imposed significant sanctions on certain Russian companies and Russia more broadly. In particular, US sanctions prohibit any "new investment" in Russia which is defined to include any new purchases of Russian securities. US persons also are required to freeze securities issued by certain Russian entities identified on the List of Specially Designated Nationals, which includes several large publicly traded Russian banks and other companies. Russia has issued various countermeasures that affect the ability of non-Russian persons to trade in Russian securities. These developments have significantly impacted the value and liquidity of Russian securities as well as the ability of a strategy or a fund to buy, sell, receive, or deliver those securities. They also have impacted the value of the ruble and the Russian economy in general. It is possible that the United States and other governments may impose even more significant sanctions against Russia if the Ukraine invasion continues.
- *Investments in China:* There are special risks associated with investments in China (including Chinese companies listed on US and Hong Kong exchanges), Hong Kong and Taiwan, including exposure to currency fluctuations, less liquidity, expropriation, confiscatory taxation, nationalization and exchange control regulations (including currency blockage). Inflation and rapid fluctuations in inflation and interest rates have had, and may continue to have, negative effects on the economy and securities markets of China, Hong Kong and Taiwan. In addition, investments in Taiwan and Hong Kong could be adversely affected by their respective political and economic relationship with China. China, Hong Kong and Taiwan are deemed by the investment manager to be emerging markets countries, which means an investment in these countries has more heightened risks than general foreign investing due to a lack of established legal, political, business and social frameworks and accounting standards or auditor oversight in these countries to support securities markets as well as the possibility for more widespread corruption and fraud. In addition, the standards for environmental, social and corporate governance matters in China,

Hong Kong and Taiwan tend to be lower than such standards in more developed economies. There may be significant obstacles to obtaining information necessary for investigations into or litigation against companies located in or operating in China and shareholders may have limited legal remedies.

Certain securities issued by companies located or operating in China, such as China A-shares, are subject to trading restrictions, quota limitations and less market liquidity. Significant portions of the Chinese securities markets may become rapidly illiquid, as Chinese issuers have the ability to suspend the trading of their equity securities, and have shown a willingness to exercise that option in response to market volatility and other events. The liquidity of Chinese securities may shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions, whether or not accurate.

Export growth continues to be a major driver of China's rapid economic growth. As a result, a reduction in spending on Chinese products and services, a shutdown in the housing construction and development markets, institution of tariffs or other trade barriers, trade or political disputes with China's major trading partners, or a downturn in any of the economies of China's key trading partners may have an adverse impact on the Chinese economy. Trade disputes may trigger a significant reduction in international trade, the oversupply of certain manufactured goods, substantial price reductions of goods and possible failure of individual companies and/or large segments of China's export industry, which could have a negative impact on a strategy or fund's performance. Events such as these and their consequences are difficult to predict and it is unclear whether further tariffs may be imposed or other escalating actions may be taken in the future.

Additionally, developing countries, such as those in Greater China, may subject a strategy or fund's investments to a number of tax rules, and the application of many of those rules may be uncertain. Moreover, China has implemented a number of tax reforms in recent years, and may amend or revise its existing tax laws and/or procedures in the future, possibly with retroactive effect. Changes in applicable Chinese tax law could reduce the after-tax profits of a strategy or fund, directly or indirectly, including by reducing the after-tax profits of companies in China in which a strategy or fund invests. Chinese taxes that may apply to a strategy or fund's investments include income tax or withholding tax on dividends, interest or gains earned by a strategy or fund, business tax and stamp duty. Uncertainties in Chinese tax rules could result in unexpected tax liabilities for a strategy or fund.

In December 2020, the US Congress passed the Holding Foreign Companies Accountable Act ("**HFCAA**"). The HFCAA provides that after three consecutive years of determinations by the US Public Company Accounting Oversight Board ("**PCAOB**") that positions taken by authorities in the People's Republic of China obstructed the PCAOB's ability to inspect and investigate registered public accounting firms in mainland China and Hong Kong completely, the companies audited by those firms would be subject to a trading prohibition on US markets. On August 26, 2022, the PCAOB signed a Statement of Protocol with the China Securities Regulatory Commission and the Ministry of Finance of the People's Republic of China to grant the PCAOB access to inspect and investigate registered public accounting firms in mainland China and Hong Kong completely, consistent with US law. To the extent the PCAOB remains unable to inspect audit work papers and practices of PCAOB-registered accounting firms in China with respect to their audit work of US reporting companies, such inability may impose significant additional risks associated with investments in China. Further, to the extent a strategy or a fund invests in the securities of a company whose securities become subject to a trading prohibition, a strategy of a funds' ability to transact in such securities, and the liquidity of the securities, as well as their market price, would likely be adversely affected.

- *Asset-backed and mortgage-backed securities risks:* Certain strategies may invest in securitized debt, including asset-backed securities ("**ABS**") and/or mortgage-backed securities ("**MBS**"). The investment characteristics of MBS and ABS may differ from traditional debt securities in that interest and principal payments are made more frequently, principal may be prepaid at any time and a number of state and federal law govern and may limit right to the underlying collateral. UBS AM may invest in mortgage- and asset-backed securities that are subject to prepayment or call risk, which is the risk that the borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. Faster prepayments often happen when interest rates are falling. As a result, UBS AM may reinvest these early payments at lower interest rates, thereby reducing UBS AM's income. Conversely, when interest rates rise, prepayments may happen more slowly, causing the security to lengthen in duration. Longer duration securities tend to be more volatile. Securities may be prepaid at a price less than the original purchase value. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may adversely affect the value of mortgage-backed securities and could result in losses to UBS AM.

- *Derivatives risks:* The value of "derivatives"—so called because their value "derives" from the value of an underlying asset, reference rate or index—may rise or fall more rapidly than other investments. It is possible for a portfolio to lose more than the amount it invested in the derivative. When using derivatives for hedging purposes, the client's overall returns may be reduced if the hedged investment experiences a favorable price movement. In addition, if a portfolio has insufficient cash to meet daily variation margin or payment requirements, it may have to sell securities at a time when it may be disadvantageous to do so. The risks of investing in derivative instruments also include market, leverage, and management risks. Derivatives relating to fixed income markets are especially susceptible to interest rate risk and credit risk. In addition, many types of swaps and other derivatives may be subject to liquidity risk, counterparty risk, credit risk and mispricing or valuation complexity. Derivatives also involve the risk that changes in the value of a derivative may not correlate as anticipated with the underlying asset, rate, index or overall securities markets, thereby reducing their effectiveness. These derivatives risks are different from, and may be greater than, the risks associated with investing directly in securities and other instruments. Changes in regulation relating to the use of derivatives and related instruments could potentially limit or impact the ability to invest in derivatives, limit the ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives.
- *Leverage risk associated with financial instruments:* The use of certain financial instruments, including derivatives and other types of transactions used for investment (non-hedging) purposes, and the engagement in certain practices, such as the investment of proceeds received in connection with short sales to increase potential returns may cause a portfolio to be more volatile than if it had not been leveraged. The use of leverage may also accelerate the velocity of losses and can result in losses that exceed the amount originally invested.

- *Initial public offerings ("IPOs") risk:* The purchase of shares issued in IPOs may expose a portfolio to the risks associated with issuers that have no operating history as public companies, as well as to the risks associated with the sectors of the market in which the issuer operates. The market for IPO shares may be volatile, and share prices of newly-public companies may fluctuate significantly over a short period of time.

- *Private placement risk*: Certain portfolios may hold securities that are neither listed on a stock exchange nor traded OTC, including privately placed securities and limited partnerships. As a result of the absence of a public trading market for these securities, they may be less liquid than publicly traded securities.

- *Short sales risk:* Short sales involve the risk that the client will incur a loss by subsequently buying a security at a higher price than the price at which the client previously sold the security short. This would occur if the securities lender required the client to deliver the securities the client had borrowed at the commencement of the short sale and the client was unable to either purchase the security at a favorable price or to borrow the security from another securities lender. If this occurs at a time when other short sellers of the security also want to close out their positions, a "short squeeze" can occur. A short squeeze occurs when demand is greater than supply for the security sold short. Moreover, because the loss on a short sale arises from increases in the value of the security sold short, such loss is theoretically unlimited. By contrast, the loss on a long position arises from decreases in the value of the security and therefore is limited by the fact that a security's value cannot drop below zero. The risks associated with short sales increase when the client invests the proceeds received upon the initial sale of the security because the client can suffer losses on both the short position and the long position established with the short sale proceeds. It is possible that the client's securities held long will decline in value at the same time that the value of the securities sold short increases, thereby increasing the potential for loss.

- *Illiquid securities:* Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded and/or for which no market is currently available may be difficult to purchase or sell, which may impact the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments or investments that trade in lower volumes may be more difficult to value.

  Certain strategies (e.g., multi-asset portfolios, private equity, real estate, infrastructure, etc.) may invest in illiquid assets. Exposure to an illiquid asset class will be made by purchasing interests in a privately offered pooled investment vehicle ("illiquid asset vehicle"). Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents, which often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicles may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, it may not be possible to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable. A client may not be able to liquidate its investment in the event of an emergency or any other reason.

- *Investments in pooled investment funds:* In lieu of direct investment, certain strategies may invest in one or more pooled investment funds managed by UBS AM or its affiliates ("affiliated funds") or by unaffiliated third party managers ("unaffiliated funds"), including, mutual funds, ETFs, collective investment funds, private funds, offshore funds, private equity funds, real estate funds, etc. A fund's investments will be made in accordance with the fund's offering documents (e.g., prospectus, offering memorandum, etc.) and governing instruments. In addition, to the extent a strategy invests in a pooled investment fund, there may be additional risks discussed in the fund's offering documents or governing instruments which are not discussed in this Firm Brochure.

  Prior to investing an account in a fund, UBS AM will assess whether it believes the investment is consistent with the client's investment guidelines as well as applicable law and regulation (e.g., Investment Company Act, ERISA, etc.). A client will generally bear, indirectly, fund investment expenses (e.g., brokerage commissions to execute portfolio trades, etc.) and operating costs (e.g., administration, custody, audit, etc.). When a client's account invests in an affiliated fund, the client will not normally pay any additional investment management fees to UBS AM in connection with investing in the affiliated fund, unless otherwise agreed upon with the client. When investing in an unaffiliated fund, the client will normally bear, indirectly, fees paid by the fund to its investment manager.

- *Investment in ETFs:* A fund or mandate's investment in ETFs may subject a fund or mandate to additional risks than if a fund or mandate would have invested directly in the ETF's underlying securities. While the risks of owning shares of an ETF generally reflect the risks of owning the underlying securities the ETF is designed to track, lack of liquidity in an ETF can result in its value being more volatile than the underlying portfolio securities. In addition, shares of ETFs typically trade on securities exchanges, which may subject a fund or mandate to the risk that an ETF in which a fund or mandate invests may trade at a premium or discount to its net asset value and that trading an ETF's shares may be halted if the listing exchange's officials deem such action appropriate. Also, an ETF may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting or number of instruments held by the ETF. In addition, a passively managed ETF would not necessarily sell a security because the issuer of the security was in financial trouble unless the security is removed from the index that the ETF seeks to track. Investing in an ETF may also be more costly than if a fund or mandate had owned the underlying securities directly. A fund or mandate, and indirectly, shareholders of a fund or mandate, bear a proportionate share of the ETF's expenses, which include management and advisory fees and other expenses. In addition, a fund or mandate will pay brokerage commissions in connection with the purchase and sale of shares of ETFs.

- *Real estate securities and REITs risk*: A portfolio's performance may be affected by adverse developments in the real estate industry. Real estate values may be affected by a variety of factors, including: local, national or global economic conditions; changes in zoning or other property-related laws; environmental regulations; interest rates; tax and insurance considerations; overbuilding; property taxes and operating expenses; or declining values in a neighborhood. Similarly, a REIT's performance depends on the types, values, locations and management of the properties it owns. In addition, a REIT may be more susceptible to adverse developments affecting a single project or market segment than a more diversified investment. Loss of status as a qualified REIT under the U.S. federal tax laws could adversely affect the value of a particular REIT or the market for REITs as a whole.

  Some REITs may have limited diversification, making them more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments. Also, the performance of a REIT may be affected by its failure to qualify for tax-free pass-through of income, or by the REIT's failure to maintain exemption from registration under the Investment Company Act.

- *Portfolio turnover risk:* High portfolio turnover from frequent trading will increase transaction costs and may increase the portion of a client's capital gains that are realized for tax purposes in any given year. This, in turn, may increase a client's taxable distributions in that year. Frequent trading also may increase the portion of a client's realized capital gains that is considered "short-term" for tax purposes. Shareholders will pay higher taxes on distributions that represent short-term capital gains than they would pay on distributions that represent long-term capital gains. UBS AM does not restrict the frequency of trading in order to limit expenses or the tax effect that its distributions may have on shareholders.

- *Cybersecurity risk*: As the use of technology has become more prevalent in the course of business, a strategy or fund , like other business organizations, has become more susceptible to operational, information security and related risks through breaches in cybersecurity. In general, cybersecurity failures or breaches of a strategy or fund or its service providers or the issuers of securities in which a strategy or fund invests may result from deliberate attacks or unintentional events and may arise from external or internal sources. Cybersecurity breaches may involve unauthorized access to a strategy or fund's digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). Cybersecurity failures or breaches affecting a strategy or fund's investment advisor or any other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with a strategy or fund's ability to calculate its net asset value, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cybersecurity breaches in the future.

  While the UBS AM has established business continuity plans in the event of, and risk management systems to prevent, such cybersecurity breaches, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, UBS AM does not directly control the cybersecurity plans and systems put in place by a strategy or fund's other service providers or any other third parties whose operations may affect a strategy or fund or its shareholders. The strategy or fund and its shareholders could be negatively impacted as a result.

- *Cash/Cash Equivalents Risk*: To the extent a fund or mandate holds cash or cash equivalents rather than securities or other instruments in which it primarily invests, its risks losing opportunities to participate in market appreciation and may experience potentially lower returns than its benchmark or other portfolios that remain fully invested.

Additional Risks - Real Estate Funds

In addition to the risks listed above, investments in real estate funds (including funds-of-funds) may involve other specific risks. These risks include, but are not limited to, the following risks:

- *Risks of real estate investments:* The value and marketability of a real estate fund's real estate investments are subject to many factors beyond the control of UBS AM and the manager of the real estate fund, including adverse changes in economic conditions, adverse local market conditions and risks associated with the acquisition, financing, ownership, operation and disposal of real estate.

  Historically, real estate has been subject to fluctuations in its value as well as income derived therefrom. The investments targeted by real estate funds may also be subject to global trends and market conditions affecting corporate businesses and the economy at large, particularly as a result of the ongoing volatility and disruption of the capital and credit markets, which has been occurring to varying degrees since the global financial system began experiencing difficulties in 2007 and experienced additional challenges as a result of COVID. A real estate fund's investments may thus be adversely affected by: national and international economic conditions; reduced and tightened conditions for funding to borrowers as a result of the recent market volatility; local property market conditions; changes in the supply of, or relative popularity for, competing properties in a given area; the financial condition of tenants, buyers and sellers of properties; interest rate fluctuations, real estate tax rates, other operating expenses and the lack of availability of real estate financing; energy prices and other supply shortages; changes in local road or rail networks; natural disasters and other acts of God or *force majeure*; various uninsured or uninsurable risks; government regulation (such as land-use and zoning restrictions, environmental protection and occupational safety) and bureaucratic inertia; the quality of management; pandemics and other factors which are beyond the control of either UBS AM or the manager(s) of a real estate fund. Many of these factors could have a negative impact on the value of real estate and the income derived therefrom. The capital value of the real estate held by any real estate fund may be significantly diminished in the event of a further downward turn in real estate markets.

- *Lack of liquidity risks:* Physical real estate investments held by real estate funds may be illiquid and there may be no public market for real estate investments of the nature of those contemplated by real estate funds. The eventual liquidity of investments made by the real estate funds will depend, amongst other things, on the success of the realization strategy proposed for each investment by such real estate fund. There is a risk that the real estate funds may be unable to realize their stated investment objectives by sale or other disposition at attractive prices or at appropriate times or in response to changing market conditions, or may otherwise be unable to complete a favorable exit strategy, which in turn may impact upon the liquidity of a client's interest in a real estate fund. Real estate funds may themselves impose limits on the number of realizations and may provide for deferrals or suspension of dealings under certain circumstances.

  Since a real estate fund's underlying investment may consist wholly or substantially of indirect investments in real estate, it may also be difficult to realize such investments. The value of the real estate concerned will generally be a matter of a valuer's opinion and the amount derived on realization of the real estate may be less than the valuation given to the real estate by the valuer. It may therefore be difficult both for dealings in real estate fund interests to be effected and/or to obtain reliable information about the value of those real estate fund interests as distinct from that of the underlying real estate.

- *Competition for investments:* The real estate market is competitive and the business of identifying attractive investment transactions involves a high degree of uncertainty. Although UBS AM believes that significant opportunities currently exist, there can be no assurance that they will continue to exist or that UBS AM will be able to identify a sufficient number of opportunities to permit a client to invest its desired amount of assets in real estate funds or to diversify its portfolio pursuant to such client's investment objectives.

- *Use of leverage:* Leverage can be used, subject to fund and account guidelines, to enhance overall performance without incurring unacceptable risk. Leverage will increase the exposure of the real estate assets to adverse economic factors, such as changing interest rates, economic downturns, or deteriorations in the condition of the properties or their respective markets. Leverage can therefore create a greater potential for loss. As a result, our funds and accounts that invest in core, income-producing properties as the primary strategy are managed with low to moderate leverage (e.g., 20% guidelines). Only funds or accounts with a higher risk profile will be managed using higher leverage limits.
- *Uncertainties in calculating real estate values:* Real estate investment valuations are subjective analyses of the fair market value estimation of an asset. Similarly, certain liabilities may be valued on the basis of estimated value. Accordingly, there can be no assurance that the values of real estate investments held by a real estate fund will be accurate on any given date, nor can there be any assurance that the sale of any property would be at a price equivalent to the last estimated value of such property.

Additional risks– Infrastructure and Private Equity

In addition to the applicable risks listed above, investments in infrastructure and private equity investments may involve other specific risks. These risks include, but are not limited to, the following:

- *Patronage/demand risk:* Some assets (such as toll roads or airports) are exposed to usage or patronage risks. Usage risk varies between assets and over time.
- *Regulatory risk:* Infrastructure assets are very often regulated by government, either through a regime set by a regulator or through long-term concession agreements. The independence and consistency over time of the regulatory system is a key risk factor for investors.
- *Sovereignty and political risk:* Investments in infrastructure assets are exposed to the risk of unexpected changes in government and government policies.
- *Environmental liability risk:* Infrastructure assets may be subject to numerous laws, rules and regulations relating to environmental protection. Under these statutes, rules and regulations, a current or previous owner or operator of the infrastructure asset may be liable for non-compliance with applicable environmental and health and safety requirements.
- *Contractual/credit risk:* Long-term contracts expose counterparties to credit and other risks.
- *Operational/construction risk*: Infrastructure assets involve operational risks and Greenfield projects involve construction risks.
- *Financing/inflation risk:* The leverage involved in financing infrastructure assets exposes investors to the cost of debt and refinancing risk. The value of cash flows may also be impacted by inflation. These risks will have varying degrees of influence on whether an infrastructure investment is appropriate. A toll road and a hospital, for example, have unique characteristics that will influence their distinctive risk profile. In addition, the investments will be subject to typical investment risks such as the price paid, ongoing management and (ultimately) liquidity. As a result and, as is the case with most investments, it is important to ensure the risks are fully understood at the outset and the portfolio appropriately diversified and balanced.
- *Valuation risk*. An appraisal or a valuation of an infrastructure or private equity asset is only an estimate of the value and is not a precise measure of realizable value. Ultimate realization of the market value of an asset depends to a great extent on economic and other conditions. Further, appraised values do not necessarily represent the price at which an asset would sell since market prices of infrastructure or private equity assets can only be determined by negotiations between a willing buyer and seller. If an asset were liquidated, the realized value may be more than or less than the appraised value or other valuation of such investment.

Operating Events/Errors

Human error, operational error or failure attributable to UBS AM ("**Operating Events/Errors**") occasionally may occur in connection with the management of funds and client accounts. UBS AM has policies and procedures that address identification and correction of Operating Events/Errors, and resolves matters in a manner consistent with high standards of integrity and ethical conduct.

UBS AM will reimburse client accounts for direct and actual losses, including interest if required by law, incurred as a result of Operating Events/Errors it causes as soon as reasonably practicable, and client accounts will generally retain any net gain that resulted from an Operating Event/Error. Senior management, in conjunction with Business Risk Management and the Legal and Compliance Departments, will determine: (1) whether an Operating Event/Error has, in fact, occurred and the nature of such Operating Event/Error; (2) any impact of an Operating Event/Error on client accounts; (3) any necessary corrective action; and (4) the appropriate measures to prevent a recurrence of the error.

Item 9: Disciplinary Information

We are required to disclose legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. UBS AM and our management personnel have no reportable disciplinary events in the last 10 years to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Overview

This section of the Firm Brochure contains information about our financial industry activities and affiliations. We provide information about the material relationships and arrangements we have with advisory affiliates or any persons under common control with our Firm, including broker-dealers, investment companies and other pooled vehicles, affiliated investments advisers, financial planners, banking institutions and other similar entities. We identify if any of these relationships or arrangements creates a material conflict of interests with clients, and discuss how we address these conflicts.

Broker-Dealer registration

UBS AM is not registered as a broker-dealer. UBS Asset Management (US) Inc., an affiliate, is a registered broker-dealer and a member of the Financial Industry Regulatory Authority ("**FINRA**") for the limited purpose of facilitating the distribution of collective investment vehicles, such as mutual funds, managed by UBS AM and its affiliates. A number of UBS AM's management persons and personnel are also principals or registered representatives of UBS Asset Management (US) Inc.

Futures Commission Merchant ("FCMs"), Commodity Pool Operator ("CPOs"), or Commodity Trading Advisor ("CTAs")

UBS AM is registered with the Commodity Futures Trading Commission ("**CFTC**") as a commodity pool operator ("**CPO**") and a commodity trading advisor ("**CTA**") and is a member of the National Futures Association ("**NFA**"). Information on the registration status of specific investment funds is available upon request.

UBS AM filed a notice of claim for exemption pursuant to CFTC Rule 4.7 in April 1996. Rule 4.7 exempts a CTA and a CPO who file a notice of claim for exemption from having to provide a CFTC-mandated Disclosure Document to certain highly accredited clients, defined as qualified eligible participants ("**QEPs**") who consent to their account being Rule 4.7 exempt QEP accounts. Upon receiving consent, UBS AM is exempt from the requirement to provide a Disclosure Document with respect to its Rule 4.7 exempt QEP accounts.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS FIRM BROCHURE IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR FIRM BROCHURE.

The following affiliates of UBS AM are registered with the NFA as FCMs, CPOs, and/or CTAs: UBS Securities LLC (FCM, CPO, and CTA), UBS Financial Services Inc. (FCM), UBS Fund Advisor, LLC (CPO), UBS O'Connor LLC (CPO) and UBS Hedge Fund Solutions LLC (CPO and CTA).

Use of Related Persons—Material Relationships and Arrangements

UBS AM is an indirect wholly owned subsidiary of UBS Group AG ("**UBS**"), a Swiss corporation headquartered in Zurich and Basel, Switzerland. As a large, globally diversified financial services firm, UBS' direct and indirect affiliates and related persons include various broker-dealers, future commission merchants, commodity pool operators, commodity trading advisers, investment advisers, pension consultants, banking organizations and other financial services firms. UBS AM has arrangements that are material to its advisory business with UBS and certain of its affiliates. UBS AM may also have arrangements to purchase certain investment advisory, brokerage and incidental services, corporate finance advisory services and foreign exchange services from some UBS affiliates. A list of certain UBS subsidiaries is available in the UBS annual report, which is publicly available at www.ubs.com.

- *Affiliated Broker-Dealers, Municipal Securities Dealers and Government Securities Broker-Dealers:* The following affiliates of UBS AM are broker-dealers registered in the United States: UBS Securities LLC; UBS Financial Services Inc.; UBS Asset Management (US) Inc.; and UBS Fund Services (USA) LLC. Certain of those affiliates are also registered as municipal securities dealers and/or government securities broker-dealers. In addition, UBS AM has numerous broker-dealer affiliates operating outside the United States. A complete list of affiliated broker-dealers is available to clients upon request.

  If consistent with applicable law and contractual arrangements with clients, some transactions for client accounts may be executed through our broker-dealer affiliates, which may earn commissions in connection with such transactions. These affiliates are compensated by clients for executing the transactions; however, UBS AM has no agreements with its affiliates that obligate it to direct client transactions to such affiliates and UBS AM receives no compensation from its affiliates in connection with such transactions. All such transactions are executed in compliance with our duty to seek best execution, the Advisers Act, and other applicable law.

  UBS AM does not generally act as principal or broker in connection with client transactions. In connection with transactions in which our affiliated broker-dealers may act as principal, UBS AM, in compliance with applicable regulatory requirements, will disclose to the advisory client the terms of the trade, that the trade will be conducted on a principal basis and obtain the client's informed consent prior to completion of each such transaction. UBS AM will recommend that a client engage in such a transaction only when we reasonably believe that we will satisfy our duty to seek best execution. UBS AM and our affiliates will not engage in principal transactions for clients subject to the Investment Company Act or ERISA, except to the extent permitted by exemptive order, applicable regulation or prohibited transaction exemption.

  UBS AM's affiliated broker-dealers may, subject to applicable law, execute agency cross transactions on behalf of clients only if appropriate client consent is obtained and the required disclosure is made. An "agency cross transaction" is a transaction in which one of our affiliates acts as broker for clients on both sides of the same transaction, and receives a commission from each client. Since our affiliate may receive compensation from parties on both sides of such transactions, UBS AM and its affiliate may have a potentially conflicting division of loyalties and responsibilities. Consent to agency cross transactions may be revoked by a client at any time by written notice to UBS AM.

  UBS AM may execute securities and futures transactions with broker-dealers that do not have their own clearing facilities and who may clear such transactions through an affiliate of ours. In such cases, our affiliate will receive a clearing fee.

  UBS AM's affiliates have direct or indirect interests in electronic communication networks and alternative trading systems (collectively "**ECNs**"). UBS AM, in accordance with its fiduciary obligation to seek best execution, may execute client trades through ECNs in which its related persons have, or may acquire, an interest. A related person may receive compensation based upon its ownership percentage in relation to the transaction fees charged by the ECNs. UBS AM will execute through an ECN in which a related person has an interest only in situations where we reasonably believe such transactions will be in the best interests of our clients and the requirements of applicable law have been satisfied.

  In accordance with Section 11(a) of the Securities Exchange Act of 1934, as amended, and the rules thereunder, UBS AM's affiliates may effect transactions for our client accounts on a national securities exchange of which an affiliate is an equity owner and/or a member and may retain compensation in connection with those transactions.

UBS AM may effect transactions through an affiliate on behalf of clients on an agency basis. For clients with respect to which we are a "fiduciary" as defined in ERISA, such transactions will be effected in accordance with the terms of Prohibited Transaction Exemption 86-128 or other applicable prohibited transaction exemptions.

UBS AM and its affiliates are authorized to effect agency transactions through an affiliated broker-dealer for its clients that are registered investment companies (the "**Mutual Funds**") pursuant to procedures adopted in accordance with Rule 17e-1 under the Investment Company Act (and approved by the Mutual Funds' Board of Directors/Trustees). Rule 17e-1 is intended to ensure that all brokerage commissions paid by the Mutual Funds are reasonable and fair. Further, any transactions between the Mutual Funds and any other advisory account for which we also act as investment adviser are effected consistent with the requirements and conditions of Rule 17a-7 under the Investment Company Act.

UBS AM may also effect "cross" transactions between client accounts in which we will cause one client to purchase securities held by another client of ours. Such transactions are only conducted in accordance with applicable law when we deem the transaction to be in the best interest of both clients and at a price determined by reference to independent market conditions, and which we believe to constitute "best execution" for both clients. We will not execute a cross transaction through an affiliated broker-dealer, and neither UBS AM nor any of its affiliates will receive any compensation in connection with a cross transaction. We will effect cross transactions with any client subject to ERISA only as permitted by ERISA Section 408(b)(19) or other applicable prohibited transaction exemption. In the case of crossing municipal securities, UBS AM will only effect cross trades in investment grade securities, at the close of business, based upon a price determined by an independent pricing service to be reflective of current market conditions.

- *Investment Companies and Other Pooled Investment Vehicles:* UBS AM is the investment adviser or sub-adviser for various investment companies registered under the Investment Company Act, as well as pooled investment vehicles exempt from registration under the Investment Company Act, including private investment companies and offshore funds. Below is a list of funds managed by UBS AM, as of the date of this Firm Brochure. Certain employees of UBS AM may be officers and/or directors/trustees of the funds listed below.

  DISCLAIMER: The information provided in this Firm Brochure is intended solely for complying with Form ADV disclosure requirements. This Firm Brochure does not constitute an offer to sell or a solicitation of an offer to buy any securities. Nothing in this Firm Brochure shall limit or restrict the particular terms of any specific offering. Offers will be made only to qualified investors by means of a prospectus or confidential private offering memorandum providing information as to the specifics of the offering. No offer of any interest in any product will be made in any jurisdiction in which the offer, solicitation or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation or sale.

- *Registered Investment Companies:* Each of the following investment company groups offer one or more open-end investment companies registered under the Investment Company Act to qualifying investors:
  - The UBS Funds
  - PACE Select Advisors Trust. Please note that in most cases, various sub-advisers manage the investment portfolios of the funds under PACE Select Advisors Trust.
  - Master Trust. Please note that interests in Master Trust are issued solely in private placements transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act of 1933. Investments in Master Trust may only be made by "accredited investors" within the meaning of Regulation D under the Securities Act of 1933.
  - SMA Relationship Trust
  - UBS Investment Trust
  - UBS Series Funds

- *Other Pooled Investment Vehicles:* Each of the following pooled investment vehicles is exempt from registration under the Investment Company Act, and the offering or sale of interests is exempt from registration under the Securities Act of 1933, as amended:

  – 1 North China A Equity Fund LLC
  – 1 North All China Equity Fund LLC
  – Select (Cay) Government Institutional Fund Ltd.
  – Select (Cay) Government Preferred Fund Ltd.
  – Select (Cay) Prime Institutional Fund Ltd.
  – Select (Cay) Prime Preferred Fund Ltd.
  – Select (Cay) Treasury Institutional Fund Ltd.
  – Select (Cay) Treasury Preferred Fund Ltd.
  – US Global Real Estate Funds Selection LP
  – US GREFS Parallel Fund LP

- *Other Investment Advisers*: UBS AM is one of the investment advisory entities within the UBS Asset Management division. O'Connor, HFS, RE and Farmland are also SEC-registered investment advisers in the division. UBS AM may also manage assets for O'Connor, HFS, or REPM and may engage them to manage assets on behalf of UBS AM's clients. UBS AM presents multi-asset class marketing materials to certain prospective clients that may include materials for O'Connor, HFS, RE and Farmland, along with Equities, Fixed Income, Indexing, and Investment Solutions information, in the same presentation. Such presentations would contain both GIPS compliant and non-GIPS compliant materials.

  In addition, UBS Asset Management division includes various Participating Affiliates operating outside the United States that provide investment management services. UBS AM may, in its discretion, delegate all or a portion of its advisory or other functions (including portfolio management and placing trades on behalf of clients) to any Participating Affiliate. The employees of such Participating Affiliates may provide portfolio management, research, financial analysis, order placement, and other services to UBS AM's U.S. clients. Such employees will be acting as associated persons of UBS AM in providing such services under the direct supervision and oversight of UBS AM. UBS AM remains responsible for the advice and services provided and clients will not pay additional investment advisory fees as a result of such advice and services being rendered by such associated persons, absent disclosure and express client consent. UBS AM has a Global Services Agreement in place with its Participating Affiliates, which is structured in accordance with a series of SEC no-action relief letters mandating that Participating Affiliates remain subject to the regulatory supervision of both UBS AM and the SEC in certain respects.

  Under the terms of the Global Service Agreement signed by certain domestic and foreign entities within the UBS Asset Management division, we have agreed to provide such advice and assistance to each other as is reasonably necessary to permit the others in the division to render investment advice and related services to UBS AM client accounts. Such advisory affiliates include, but are not limited to:

  – UBS AG
  – UBS Asset Management (Australia) Ltd.
  – UBS Asset Management (Canada) Inc.
  – UBS Asset Management (Deutschland) GmbH
  – UBS Asset Management (Hong Kong) Limited
  – UBS Asset Management (Italia) SGR S.p.A
  – UBS Asset Management (Japan) Limited
  – UBS Asset Management (Shanghai) Limited
  – UBS Asset Management (Singapore) Ltd.
  – UBS Asset Management Switzerland AG

– UBS Asset Management (Taiwan) Ltd.
– UBS Asset Management (UK) Ltd.
– UBS Fund Management (Luxembourg) S.A.

The following advisory affiliates provide fund administration services outside the United States:
– UBS Fund Management (Ireland) Ltd.
– UBS Fund Management (Switzerland) AG
– UBS Fund Management (Luxembourg) S.A.
– UBS Third Party Management Company S.A.

- *Financial Planners:* Affiliates of UBS AM, including UBS AG and UBS Financial Services, may provide financial planning services to their clients.

- *Banking Institutions:* UBS AM is a member of the UBS Asset Management division of UBS Group AG, a Swiss financial organization.

  Affiliated banking institutions include the following wholly owned subsidiaries of UBS Group AG: UBS AG, a Swiss banking organization and a financial holding company under the US Bank Holding Company Act; and UBS Bank USA, a Utah industrial bank.

  UBS Asset Management Trust Company, an Illinois chartered non-depository trust company, is an affiliate of UBS AM, as stated in *Item 4 Advisory Business*. Certain UBS Asset Management employees are also officers of the Trust Company. In addition, UBS AM provides investment sub-advisory services to the Trust Company with respect to certain CITs. The Trust Company provides fiduciary services to employee benefit retirement plans and serves as the investment manager and trustee for various CITs, including UBS (US) Group Trust and certain closed-end CITs. The CITs are investment vehicles through which ERISA retirement plans, governmental plans, and other eligible retirement plans commingle their assets for investment purposes. The CITs are exempt from registration under the Investment Company Act.

- *Pension Consultants:* UBS AM may provide pension consulting services to certain of its clients, subject to compliance with applicable rules and regulations, including ERISA. In addition, certain of our affiliates, including UBS Financial Services, may also provide pension consulting services to their clients.

- *Limited Partnership Sponsorships:* UBS AM is the general partner of certain private equity limited partnerships in which clients were previously solicited to invest, but which are no longer open to new investors. UBS AM has engaged Adams Street Partners LLC, an unaffiliated registered investment adviser, to sub-advise these limited partnerships.

- *Recommending or selecting other investment advisers and sub-advisers:* UBS AM may recommend or select other investment advisers or sub-advisers for clients; however, we do not receive direct or indirect compensation from those advisers or sub-advisers.

- *Other*: Certain subsidiaries of UBS Group AG, including UBS Business Solutions US LLC, UBS Business Solutions AG, UBS Business Solutions Poland sp. z.o.o., and UBS Business Solutions (India) Private Limited provides certain services to UBS's affiliates and subsidiaries, including UBS AM. Services currently include Finance, Risk Control, Compliance, Legal, Human Resources, Technology, and Operations.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Overview

This section of the Firm Brochure contains a summary of our Code of Ethics. We also describe circumstances where we may recommend, buy or sell securities for client accounts in which we (or a related person) may have a material financial interest. This description includes information on the conflicts of interests that may arise and how we address these conflicts.

Code of Ethics: Proprietary and Employee Securities Transactions

UBS AM has adopted a Code of Ethics ("**Code**") designed to meet the requirements of Rule 204A-1 of the Advisers Act and which sets forth ethical standards of business conduct required from all employees, including compliance with any other applicable securities laws. The Code is intended, among other things, to ensure that personal investing activities by employees and certain of their family members are consistent with our fiduciary duty to clients. The Code sets forth policies and procedures on identifying, escalating and addressing any potential or actual conflicts of interest that may present themselves between employees, officers and directors of UBS AM and UBS AM's clients.

The Code incorporates the following general principles which all employees are required to uphold:

- UBS AM and its employees must at all times place the interest of its clients ahead of their own;
- No principal or employee of our Firm may buy or sell securities for his or her personal account portfolio(s) where their investment decision is a result of information received as a result of his or her employment unless the information is also available to the investing public; and
- All employees are required to act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

Unless specifically exempted, our Code generally requires employees to obtain written preclearance for *all* securities transactions. UBS AM views certain transactions as especially likely to create a conflict of interest with its clients, and therefore prohibits employees from engaging in the following types of transactions: (i) short sales; (ii) purchase or sale of futures that are not traded on an exchange, as well as options on any type of futures; (iii) securities issued by suppliers and vendors; and (iv) IPOs. Investments in limited offerings are permitted, with preclearance for any new investments or additional capital investments. UBS AM also permits options trading under certain conditions and with preclearance

All employees of UBS AM and our affiliates may from time to time have acquired or sold,or may subsequently acquire or sell, for their personal accounts, securities that may also be held, or have been purchased or sold, for the accounts of our clients. Our Code imposes certain "lockout" periods whereby certain employees may not be able to trade in a particular security if we are recommending a transaction in that security for clients. These lockout periods are subject to certain exceptions upon approval by a compliance officer.

Employees also are required to hold securities, including mutual funds we advise or sub-advise, for a period of at least 30 days. Additionally, in order to ensure that employees are not distracted from servicing advisory clients, employees are discouraged from engaging in any personal trading activity that consumes excessive time and attention or interferes with the performance of their duties for UBS AM or UBS AM clients. The trading restrictions generally do not apply to accounts in which an employee has an interest but which is subject to a discretionary investment management agreement, whether with an affiliate or an unaffiliated manager. Additionally, our employees may be investors in certain pooled vehicles for which we or an affiliate acts as investment adviser. For purposes of the Code, such investment vehicles are treated as clients and are not subject to the personal trading restrictions described above.

All UBS AM employees are required, upon hire and on at least an annual basis, to confirm receipt of the Code and to attest their compliance with the policies and procedures therein. Employees are also required to: (i) disclose any covered personal accounts[1] within 10 calendar days of becoming an employee of the Firm, including certain immediate family member[1] accounts; (ii) submit initial and annual holdings reports disclosing their personal securities holdings in any covered personal accounts; (iii) submit quarterly reports disclosing all personal securities transactions in any covered personal accounts; and (iv) report any violations of the Code promptly to the Chief Compliance Officer. Holdings and transactions are periodically reviewed by Compliance, and any violations are appropriately escalated to the CCO and resolved in accordance with Rule 204A-1, UBS AM policies and any other federal securities laws, as applicable.

UBS AM has also established separate policies and procedures designed to detect other conflicts of interest and prevent insider trading. All employees are provided with such policies and are required to complete comprehensive compliance training on at least an annual basis.

UBS AM will provide a copy of our Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

General

UBS AM may purchase or sell, or recommend for purchase or sale, for our investment advisory clients securities of companies: (i) with respect to which our affiliates act as an investment banker or financial adviser; (ii) with which our affiliates have other confidential relationships; (iii) in which our affiliates maintain a position or make a market; or (iv) in which the affiliate or its officers, directors or employees own securities or otherwise have an interest if it determines such transactions to be in the best interest of its clients. Except to the extent prohibited by law or regulation or by client instruction, UBS AM may recommend to our clients, or purchase for our clients, securities of issuers in which UBS has an interest. We may also invest in or recommend for purchase for our clients securities issued by a company for whose pension plan we act as investment manager or otherwise with whom we have a client relationship (i.e. ERISA clients).

To minimize potential conflicts of interests, UBS AM's investment advisory business is structured as a separate and distinct business from our affiliates that conduct banking, investment banking, broker-dealer (other than pooled fund distribution), wealth management or a variety of other financial services businesses. In providing such services, our affiliates may have access to material, non-public information. In order to prevent the improper communication of such inside information, UBS AM and its affiliates have established policies and procedures designed to prevent the misuse of such information and the spread of such information within or across business divisions.

UBS AM's business processes and information systems are designed to prevent sensitive information regarding affiliates' businesses from being shared with or accessed by our personnel and to prevent sensitive information regarding our business from being shared with or accessed by our affiliates. However, despite these information barriers, as a result of applicable law or potential conflicts of interests, UBS AM may be precluded from effecting or recommending transactions in particular securities for its clients that we may otherwise believe are an attractive investment. Material, nonpublic information may also become available to UBS AM through our client relationships or other activities. This information will not knowingly be passed on to our investment advisory clients, or used for our or their benefit, or for any other purpose.

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[1] *A "covered personal account" includes any securities account (held at a broker-dealer, transfer agent, investment advisory firm, bank or other financial services firm) in which an employee has a beneficial interest or over which the employee has investment discretion or other control or influence.*

[2] *Immediate family members, as defined by the SEC, include any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and shall include adoptive relationships.*

The highest priority of every investment professional at UBS AM is to pursue each client's investment goals through independent analysis and portfolio management. At all times, our research, security selection and trade execution is performed strictly and solely in adherence to the investment principles established independently by UBS AM, and in full compliance with all applicable banking, securities and fiduciary laws and regulations. To the extent we cause transactions for client accounts to be executed through affiliates (which will only be done in compliance with applicable law, as described above), UBS AM receives no additional remuneration with respect to such transactions. The compensation of our personnel is dependent solely on the results of our investment advisory business.

From time to time, UBS AM and our affiliates may engage in cross-marketing their services to clients and prospects. As noted above, UBS AM and our affiliates have policies and procedures in place to prevent the improper flow of information to or from UBS AM as a result of such cross-marketing opportunities.

UBS Asset Management and our affiliates have relationships with a number of clients who, directly or through one or more affiliates, issue publicly-traded securities. UBS AM may, in compliance with client investment guidelines and applicable law, purchase on behalf of our clients securities issued by another client. UBS Asset Management has a number of policies and procedures designed to manage this potential conflict of interest.

As a result of differences in client objectives, strategies and risk tolerances, UBS AM may give different advice or make different recommendations to different clients that are authorized to invest in the same securities. In addition, our investment advice may differ from advice given by other business divisions within UBS or by other portfolio managers of UBS, as our investment advisory business is structured as a separate and distinct business from our affiliates that conduct banking, investment banking, broker-dealer (other mutual fund distribution), wealth management, investment management or a variety of other financial services businesses.

Conflicts exist when UBS AM and/or our affiliates invest, on behalf of our clients, in more than one part of the capital structure of the same issuer. UBS AM has a number of policies and internal controls designed to manage this potential conflict of interest. The underwritings section below further addresses one of these types of conflicts, where our affiliates may be engaged in the offering of a security which UBS AM may purchase on behalf of our clients.

Underwritings

In conformance with clients' investment objectives and subject to compliance with applicable law, UBS AM may purchase securities for client accounts during an underwriting or other offering of securities in which an affiliated broker-dealer acts as a manager, co-manager, underwriter or placement agent, or receives a benefit in the form of management, underwriting, or other fees paid to members of an underwriting syndicate. Affiliates of ours may act in other capacities in such offerings for which a fee, compensation, or other benefit will be received. From time to time, our affiliates will be current investors in, or lenders to, companies engaged in an offering of securities which we may purchase on behalf of clients, and the proceeds of such purchases may be used to pay off or retire the interests of our affiliates. Such purchases may provide a direct or indirect benefit to our affiliates acting as a selling shareholder, through the return of capital or otherwise.

UBS AM may also participate in structured fixed income offerings of securities in which a related person may serve as trustee, depositor, originator, service agent or other service provider in which fees will be paid to such related person. Further, a related person may act as originator and/or servicing agent of loans or receivables for a structured fixed income offering in which we may invest client assets. Participation in such offering may directly or indirectly relieve obligations of related persons. For clients subject to ERISA, such investments will be made in accordance with the terms of applicable prohibited transaction exemptions.

Investments in Funds

When permitted by applicable law and the client's investment guidelines, and when considered by UBS AM to be in the best interests of a client, we may recommend to clients and we may invest assets of client accounts in various closed-end and open-end investment companies, collective investment trusts and other pooled investment funds managed by UBS AM or an affiliate. UBS AM may or may not receive compensation for such services from the funds. Absent disclosure and client consent to paying fees at both levels, we will generally waive our management fee with respect to assets so invested to the extent of the compensation we or our affiliates receive for investment advisory services rendered with respect to such pooled investment vehicles; however, clients will pay custody, administration, audit and other fund fees and expenses in connection with such investments.

UBS AM, on behalf of clients, may invest in private equity offerings in which an advisory affiliate and/or related person may also invest. With respect to such investments, our advisory affiliates and/or related persons may buy and sell at times and prices which may be more or less favorable than prices paid or received by our clients.

Model Programs

UBS AM may have interests that conflict with the interests of investors investing in a Model Portfolio pursuant to a Model Program. For example, UBS AM and our affiliates receive asset-based and other fees for providing advisory and other services to mutual funds that we manage, including those mutual funds that we may select to form a part of a Model Portfolio. Thus, we have an incentive to include such mutual funds in any Model Portfolio we create. The advisory and other fees charged by such mutual funds will be indirectly borne by investors in the Model Portfolios and are in addition to any fees charged by the Program and Program Sponsor. In addition, to the extent the profitability of a particular mutual fund or other product is greater than the profitability of another product, we will have an incentive to include the most profitable product in the Model Portfolio.

Model Program Sponsors may also pay UBS AM for our services in connection with furnishing the Model Portfolios. To the extent that our profitability earned for services in connection with one Model Program or Model Portfolio is higher than the profitability earned for another Model Program or Model Portfolio, we will have an incentive to devote more resources to the more profitable Model Program or Model Portfolio.

Wrap Fee Programs

In certain wrap fee programs, such as UBS-CAP, UBS AM may have authority to create and actively-manage investment portfolios on behalf of UBS Financial Services clients that are designed to invest across a wide array of assets, including investments in traditional and alternative investment strategies. These investments may include SMA strategies, mutual funds, ETFs and alternative investment strategies. These products may be managed by third-party managers or by UBS AM (including affiliates of UBS AM).

UBS AM may receive a premium services investment management fee that is billed directly by UBS Financial Services to clients depending on the types of strategies utilized. Similarly, UBS AM and our affiliates may receive asset-based and performance-based fees for providing advisory and other services to SMA strategies, mutual funds and alternatives investment strategies.

This creates an incentive for UBS AM to invest clients in SMAs, mutual funds and alternative investment strategies managed by AM and its affiliates rather than third party funds, which may have lower management fees than products managed by UBS AM and its affiliates.

Item 12: Brokerage Practices

Overview

*This section of the Firm Brochure contains information regarding our brokerage practices, including the trade execution services we provide to clients in selecting broker-dealers and other execution counterparties and in negotiating commission rates and other transaction costs on behalf of our client accounts. We also discuss the brokerage and research services we receive in connection with client securities transactions. Arrangements to receive brokerage and services from brokers are often referred to as "soft dollars," "client commission arrangements or "commission sharing arrangements" ("**CSAs**") (collectively referred to as "**CCAs**" in this Firm Brochure). Clients may request that we direct commissions for their accounts to specific brokers, and we discuss our practices with respect to directed brokerage. In addition, we discuss the aggregation and allocation of orders.*

Selection of brokers and dealers and commission rates

UBS AM has a fiduciary duty to its clients to seek best execution when effecting transactions on behalf of clients. In executing, placing or transmitting orders for its clients, UBS AM seeks to obtain best execution by taking all sufficient or reasonable steps, as applicable, to obtain the best possible results, and taking into consideration execution criteria, execution factors, execution venues, research, and where applicable, counterparty selection, in addition to any other relevant factors. In the course of executing client transactions, when we believe it is in the best interest of our clients, we may utilize the execution services of a counterparty (including a related person) rather than trading directly with a market maker for certain financial instruments. These approaches bear different costs that we take into consideration as part of our execution strategy in the best interest of our clients.

UBS AM will seek to select broker-dealers (which may include its affiliates) and other trading counterparties on the basis of consideration of various factors, including, without limitation, the characteristics of the portfolio, including portfolio investment guidelines/restrictions and regulations that may affect how orders are placed for the client; the characteristics of the order; the characteristics of the financial instruments that are the subject of that order; the characteristics of the counterparty selected to execute the order; and research or brokerage services provided by the counterparty. The use of affiliated brokers creates certain conflicts of interests, including the fact that the affiliate and certain of its employees may receive additional compensation based on the commissions charged and the number of trades in the account.

In determining which broker-dealer may provide best execution for a particular transaction or series of transactions, UBS AM also considers execution factors which include, without limitation: the price of execution and depth of quote; costs associated with execution (for example, expenses incurred by the client including execution, clearing and settlement fees and any other fees paid to a counterparty or third party involved in the execution of the order); speed of execution; size; nature of the order; the likelihood of execution; the likelihood of settlement; liquidity profile; and any other consideration relevant to the execution of an order. In addition, we may consider the capability to execute difficult trades (possible market impact, size of the order and market liquidity); commitment of capital; opportunity for block transactions; access to IPOs and other new issues; confidentiality; clearance and settlement; responsiveness; access to markets; and financial stability. This means that a broker-dealer offering the most favorable commission or spread may not be selected to execute a particular transaction. We will seek to negotiate favorable commissions and spreads on all transactions (other than client-directed brokerage). Trades for actively-managed clients may be placed at either full service or execution-only commission rates while trades for certain clients (e.g., passively- managed, MiFID II, et al.) are placed only at execution-only rates.

We will determine the overall reasonableness of the brokerage commissions and other transaction costs on client transactions by taking into account various factors, including, but not limited to, the following: current market conditions; size and timing of the order; depth of the market; per share price; difficulty of execution; the time taken to conclude the transaction; the extent of the broker-dealer's commitment, if any, of its own capital; and the amount involved in the transaction. In the course of executing client transactions and when in the best interests of our clients, we may utilize the execution services of a broker (including a related person) other than the market-maker for certain over-the-counter securities transactions. As a result, clients may be charged a commission as well as an undisclosed mark-up or markdown on such transactions.

UBS AM will coordinate portfolio management and trading activities among our clients and our advisory affiliates when such coordination is believed to be in the best interest of clients. Such transactions will be executed through one of our trading desks in accordance with our current trading policy and procedures, including the following: trade allocations; purchase of new issues; cross-trading; directed brokerage; and research or services. Indications of interest of new issues will be aggregated for clients of ours and our advisory affiliates in accordance with UBS AM's allocation policy.

From time to time, UBS AM has implemented trade order volume controls for clients of related persons and for advised wrap programs that received our Model Portfolio information in order to minimize potential market impact execution costs of trading the same securities outside of our trading desk. In the course of monitoring such trading activities, UBS AM attempts to objectively ensure that all clients, as well as clients of advisory affiliates and related persons, are treated equitably.

Where UBS AM has not assumed discretionary investment authority, we will typically make periodic investment recommendations and provide our research and analysis supporting such recommendations to our clients involving securities to be purchased or sold, including the amounts of such purchase or sale. In adopting our recommendation, a client may execute the transaction directly or may request UBS AM, as an accommodation, to place the orders for the purchase or sale of the securities recommended. In such cases, we will either determine the executing broker or a client may direct that such transaction be effected through a particular broker. These non-discretionary client accounts typically will not receive a recommendation or allocation to initial or secondary public offerings which are generally allocated by underwriters based on trading volumes generated by UBS AM's discretionary clients.

UBS AM uses various institutional delivery systems for trade confirmation and settlement including, but not limited to, the Depository Trust & Clearing Corporation, Options Clearing Corporation, Chicago Mercantile Exchange, Canadian Depository for Securities Limited, Brazilian Clearing and Depository Corporation, Hong Kong Exchanges and Clearing Limited, Singapore Exchange Limited, Tokyo Stock Exchange, Clearnet SBF SA, Eurex Clearing AG, London Clearing House, Euroclear and Clearstream (Deutsche Borse Group).

Research and Brokerage Services ("CCAs")

While we select brokers primarily on the basis of their execution capabilities, UBS AM may cause a client to pay a commission to brokers or dealers for effecting a transaction in excess of the amount another broker or dealer would have charged for effecting that same transaction in exchange for certain research and brokerage services. Although the use of client brokerage commissions to obtain research or other products or services inherently benefits UBS AM because we do not have to produce or pay for the research, products, or services, this approach is only used when we have determined in good faith that the commission is reasonable in relation to the value of the execution, brokerage and/or research services ("soft dollar benefits") provided by the broker.

Research services provided to our Firm by brokers pursuant to CCAs are reviewed to ensure that they meet the standards of Section 28(e) of the Securities Exchange Act of 1934, as amended ("**Section 28(e)**"). Research provided to UBS AM by broker-dealers may be proprietary research created or developed by an affiliated broker-dealer or may be third party research created or developed by a third party. Research services are either provided directly by affiliated broker-dealers or generated by third parties and provided by a brokerage firm through a CSA.

Our CCAs for the receipt of research services from brokers may create conflicts of interests, in that we have an incentive to choose a broker or dealer that provides research services instead of one that charges a lower commission rate but does not provide any research. We follow certain procedures to execute client transactions with a particular broker-dealer in return for soft dollar benefits we receive.

UBS AM and our advisory affiliates utilize a common portfolio and trading platform for our clients. Certain investment professionals and other employees of UBS AM are officers of advisory affiliates and related persons, and may provide investment advisory services to clients of such affiliated entities. UBS AM's personnel also provide research and trading support to personnel of certain advisory affiliates. Research-related costs may be shared by advisory affiliates and related persons and may benefit the clients of such advisory affiliates. Since research services are shared among UBS AM and its advisory affiliates, we maintain a global aggregated research commission budget for UBS AM and its CCA-eligible advisory affiliates. Therefore, research services that benefit our clients may be paid for by CCA research commissions generated by clients of our advisory affiliates. Similarly, research services paid for by CCA research commissions generated by our clients may benefit advisory affiliates and their clients.

UBS AM does not allocate the relative costs or benefits of research received from brokers or dealers among particular clients because we believe that the research received is, in the aggregate, of assistance in fulfilling our overall responsibilities to our clients. The research may be used in connection with the management of accounts other than those for which trades are executed by the brokers or dealers providing the research. UBS AM may receive a variety of research services and information on many topics, which we can use in connection with our management responsibilities with respect to the various accounts over which we exercise investment discretion or otherwise provide investment advice. These topics include, among others: issuers, industries, securities, economic factors and trends, portfolio strategy, and other information that may affect the U.S. or foreign economies, security prices, or management of the portfolio.

For equity transactions, UBS AM negotiates a rate schedule with broker-dealers. This rate schedule includes an execution commission and, for full service trades, a CCA research commission for each equity transaction. For full service trades, the CCA research commission may represent up to 95% of the total commission for an equity transaction. For actively managed equity investment strategies, we maintain a research budget for each strategy and once CCA research commissions for a strategy are in line with the research budget, we may place trades at execution-only rates for accounts in that particular strategy. Thus, trades placed for actively managed equity accounts may be placed at either full service or execution-only rates.

For fixed income, currency and derivative transactions, counterparties do not provide the Firm with third party research services. We believe that any research provided by fixed income, currency and derivative counterparties is incidental to their execution services.

UBS AM and its advisory affiliates place trades for certain clients (e.g., passively managed, MiFID II, et al.) at execution-only rates and no CCA research commissions are generated by those trades. Execution-only accounts may pay different amounts than other accounts in connection with the same trade because execution-only accounts do not pay any CCA research commissions. As a result, such clients may not pay a *pro rata* share of all costs (i.e., research payments) associated with an aggregated order, although such clients will continue to pay the same average security price and execution costs (measured by execution rate). UBS AM and its advisory affiliates may pay for research pertaining to such clients using its own resources.

Types of research services received

Research provided to UBS AM by broker-dealers may include the following products/services: research reports (in various formats) on particular companies, industries, sectors, markets (general and specific) and geographic regions; economic surveys and analyses; recommendations as to specific securities; online quotations, news and research services; trade execution, portfolio and risk management systems/software (which may include fees charged by consultants to build and/or maintain such systems); market data services, including alternative data services, pricing services and feeds; and personal meetings with security analysts, economists and investment consultants. Research services are either provided directly by broker-dealers or generated by third parties and provided by a broker through a CCA. All of the above research services then provide assistance to UBS AM in the performance of its investment decision making responsibilities on behalf of its clients. Products and services that we believe do not meet the standards of Section 28(e) are not acquired with client brokerage commissions.

Certain services may be "mixed use", and used for research purposes as well as other purposes, such as compliance or account administration. Payment for these mixed use services is made as follows: the portion allocated to research is paid by broker-dealers through CCA research commissions, and the portion allocated to other purposes is paid by UBS Asset Management. The ability to determine what amounts are paid by UBS Asset Management versus amounts paid by clients through CCA research commissions presents a conflict of interests. To mitigate the conflict, the allocation is determined by our Equities Research Working Group in good faith and based on objective criteria, to the extent available, of the amounts used for research and non-research purposes.

Research services received from broker-dealers may be supplemental to our own research efforts and, when utilized, are subject to internal analysis before being incorporated into our investment process. As a practical matter, it would not be possible for UBS Asset Management to generate all of the information presently provided by brokers and dealers.

UBS AM may receive in-house or proprietary research from dealers that execute trades on a principal basis for our clients. The research received will be of the type described above, excluding third- party research services.

Brokerage for client referrals

When selecting or recommending broker-dealers, UBS AM does not consider whether it or a related person receives client referrals from a broker-dealer or third party.

Client directed brokerage

UBS AM does not recommend, request or require that a client provide direction to execute transactions through a specified broker-dealer. However, a client may request that UBS AM direct all or a portion of commissions for their accounts to specified brokers that provide research, commission recapture and other services directly to such client. UBS AM may not be able to freely negotiate commission rates or select brokers on the basis of best available price and most favorable execution for these client directed brokerage transactions. In addition, transactions directed in this manner may not be aggregated for execution with transactions in the same securities for other clients. Where available, we may use "step-out" trade mechanisms to effect client directed brokerage transactions along with aggregated orders that are not directed. A step-out trade allows for execution through one broker-dealer who steps out of a portion of the trade in favor of the client’s directed broker-dealer. The commission is charged by the client’s directed broker or clearing broker and the executing broker-dealer receives no compensation for the portion of the trade that was stepped-out. If UBS AM is not able to arrange for step-out transactions to facilitate client directed brokerage arrangements, we may execute directed transactions after executing transactions in the same security that are not directed to a particular broker-dealer. As a result, clients that have directed brokerage arrangements may pay higher commissions or receive less favorable net prices or may experience sequencing delays than would be the case if UBS AM were authorized to choose the broker through which to execute transactions for the client’s account.

Pursuant to certain of the wrap fee arrangements between UBS AM and the wrap fee Program Sponsors, we have discretion to select brokers or dealers other than the wrap fee Program Sponsors (or their designees) when necessary to fulfill our duty to seek best execution of transactions for client accounts. However, brokerage commissions and other charges for transactions not effected through the wrap fee Program Sponsors (or their designees) may be charged to the client, whereas the wrap fee covers the cost of brokerage commissions and other transaction fees on transactions effected through the wrap fee Program Sponsors (or their designees). For this reason, it is likely that most transactions for such clients will be effected through the Program Sponsors (or their designees).

UBS AM is not in a position to negotiate commission rates with the Program Sponsors on behalf of wrap fee clients, or to monitor or evaluate the commission rates being paid by such clients or the nature and quality of the services they obtain from the Program Sponsors. UBS AM and its advisory affiliates endeavor to treat all advisory accounts fairly in the execution of client orders. However, from time to time, wrap fee clients may experience sequencing delays, lost opportunity and market impact costs when executing transactions through the wrap sponsor.

A client who participates in the wrap fee program arrangement with the wrap fee Program Sponsors should consider that, depending upon the level of the wrap fee charged by the Program Sponsors, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

Aggregation and allocation of orders

UBS AM may purchase or sell the same security or instruments for more than one client account, including clients of advisory affiliates, simultaneously. These accounts include advisory clients, pooled investment vehicles, partnerships and investment companies for which UBS AM and our related persons act as investment manager, administrator or underwriter, and in which UBS AM and our officers, employees, advisory affiliates and related persons have a financial interest, as well as accounts of pension plans covering our employees and advisory affiliates and seed capital accounts ("Proprietary Accounts").

With respect to equity securities, when appropriate, orders for the same security are aggregated or "batched" to facilitate best execution and to reduce brokerage commissions and other costs. UBS AM effects batched transactions in a manner designed to ensure that no participating client, including any Proprietary Account, is favored over any other client. Specifically, each client and Proprietary Account that participate in a batched transaction will receive the average share price for all the fills in that security on that business day, with respect to that batched order.

With respect to equity securities traded through a market or exchange, securities purchased or sold in a batched transaction are allocated on a *pro rata* basis based on eligible shares, unless certain exceptions noted below apply, to the participating client accounts and Proprietary Accounts in proportion to the value of the initial order based on account size. UBS AM may, however, increase or decrease the amount of securities allocated to a particular account to avoid odd-lot or a small number of shares being allocated to an account. Additionally, if we are unable to fully execute an aggregated order and determine that it would be impractical to allocate a small number of securities among the accounts participating in the transaction on a *pro rata* basis, we may allocate such securities to less than all of the participating accounts in a manner determined in good faith to be a fair allocation. The accounts not receiving an allocation may be given priority on subsequent trading days in order to catch them up with the remaining accounts. Additional exceptions to a *pro rata* allocation method are when a client's total order is small compared to orders for other client accounts being traded.

With respect to fixed income securities, UBS AM seeks to allocate trades on a pro-rata, average price basis. However, due to the limited supply of certain securities and the differing portfolio characteristics among accounts, we will often allocate fixed income securities using a method other than pro-rata, based upon pre-determined criteria, such as duration or credit quality. We make these allocations in good faith with the goal of ensuring that a fair and equitable allocation will occur over time. In addition, accounts with a specialized investment strategy and/or mandate may receive priority in the allocation process with respect to certain securities.

IPOs, secondaries and new offerings will generally be allocated among eligible clients on a *pro rata* basis. To the extent shares available in an IPO or new issue are not sufficient to allocate on a *pro rata* basis in a manner that would be meaningful for clients, the shares may be allocated in another manner determined in good faith to be a fair allocation. Additionally, IPOs may be allocated based on the objectives and guidelines of the particular accounts, the trading volume attributable to each model strategy with the broker from which the IPO opportunity arises, the size of the orders placed on behalf of each model strategy, the length of time the security is likely to be held within a particular strategy and the assets under management in a particular model strategy. IPOs and secondaries typically are not purchased for wrap account clients or for non-discretionary clients. Certain clients may be ineligible to participate in an IPO or secondary offering due to legal or regulatory restrictions.

UBS AM may place separate batched orders for the same security for full service commission trades and execution-only trades. As a result, clients in one batched transaction may pay a different security price and different transaction costs than clients in the other batched transaction. Instead of placing separate batched orders for full service and execution-only trades, UBS AM may also aggregate orders for full service commission trades with execution-only trades. To ensure that such orders are aggregated and allocated in a fair and reasonable manner that will not systematically disadvantage any client: (i) each account in the aggregated order will pay the average price for the security and the same cost of execution (measured by rate); (ii) the payment for research in connection with the aggregated order will be consistent with each applicable jurisdiction's regulatory requirements and disclosures to clients; and (iii) subsequent allocation of such trade will conform to UBS AM's allocation statement or UBS AM's allocation procedures.

In some instances, the procedures described above may adversely affect the size of the position or the price paid or received by the client, as compared with the position size or price that would have been received had no aggregation occurred. Conversely, clients that direct brokerage to particular broker-dealers may be precluded from batched orders to the extent necessary to comply with client's directions and thus may not benefit from aggregated orders.

UBS AM will also allocate trades for the same security on behalf of multiple accounts on a basis other than *pro rata* when necessary due to differing levels of liquidity in client accounts. This may occur when sales required to raise liquidity for purchases are completed at different times for each account, when trades are required as a result of asset allocation changes, based on the investment objectives of accounts, and when a client is making a contribution to or withdrawal from its account. While we may effect trades in these circumstances prior to trading for other accounts, we will seek to ensure that all allocations are fair and equitable over time.

Although UBS AM may believe that it is both desirable and suitable for a particular security or other investment be purchased or sold for the account of more than one client, there may be instances when there is a limited supply or demand for that security or investment. In these instances, we generally allocate the opportunity to purchase or sell that security or investment among client accounts according to client needs and objectives. While we seek to assure fair and equitable treatment over time, there can be no assurance of equality of treatment among all clients or that any one investment will be proportionally allocated among clients according to any particular or predetermined standards or criteria.

UBS AM provides investment advisory services to some accounts over which we do not have investment discretion including affiliated and third party model based programs ("Non-Discretionary Accounts"). Non-Discretionary Accounts will typically be notified of recommended changes to a model simultaneously with the accounts over which we have investment discretion, ("Discretionary Accounts"). However, UBS AM may determine in its sole discretion to place transactions of our Discretionary Accounts ahead of Non-Discretionary accounts based on a number of factors, including size of the overall trade, a particular broker-dealer's commitment of capital, liquidity, subscription and redemption activity, conditions of the market (such as volatility, market dislocation / disruption), or confidentiality. In those events, the Non-Discretionary accounts may or may not receive executions as favorable as those received by our Discretionary Accounts because of the delay. When we decide to place Discretionary Accounts ahead of Non-Discretionary Accounts, we will make a good faith effort to notify Non-Discretionary accounts of the model changes promptly after discretionary trading is completed.

Even though UBS AM may provide our recommended changes to a model simultaneously to Non-Discretionary Account and Discretionary Accounts, UBS AM may have already commenced trading before the manager of a Non-Discretionary Account has received or had the opportunity to fully evaluate or to act on our recommendations. In this circumstance, trades ultimately placed by a manager of a Non-Discretionary Account may be subject to price movements, particularly with large orders or where the securities are thinly traded, which may result in the Non-Discretionary Account receiving prices that are less favorable than the prices obtained by UBS AM for its Discretionary Accounts. On the other hand, a manager of a Non-Discretionary Account may initiate trading based on our recommendations before or at the same time UBS AM is also trading for its Discretionary Accounts. Particularly with large orders where the securities are thinly traded, this could result in UBS AM's Discretionary Accounts receiving prices that are less favorable than prices that might otherwise have been obtained absent the other manager's trading activity. Because UBS AM does not control a manager's execution of transactions for Non-Discretionary accounts, UBS AM cannot control the market impact of such transactions. However, UBS AM believes that all accounts will have the same long-term opportunity for substantially similar performance.

UBS AM may have investment management discretion over accounts where we receive a model from a third party investment adviser. In these instances, the third party investment adviser will follow their trading policies regarding the sequencing of orders for model programs, including the timing of delivery of the model. UBS AM may or may not receive information regarding the model simultaneously with other accounts of the third party manager. As a result, UBS AM may not receive executions as favorable as those accounts managed by the third party manager.

From time to time, UBS AM may reallocate securities from one client account to a second client account in order to correct an error. Such reallocations may only be effected with prior approval of our Compliance department. UBS AM will only make the reallocation prior to settlement of the trade, and only if the reallocation represents a legitimate investment decision on behalf of each account involved.

UBS AM will trade for an account only when an account is deemed in "good order". Good order is defined as an "account available for trading when the following conditions have been met: (i) all portfolio positions have been confirmed for CUSIP and lot size (i.e., coupon payments, full-partial calls and redemptions reviewed and reflected); (ii) all portfolio securities are priced for the day of trading; (iii) all portfolio securities cost bases are accurate; (iv) all requested portfolio cash withdrawals/deposits are confirmed and reflected; (v) all portfolio termination requests are confirmed/reflected; (vi) changes and alternations in portfolio coding and restrictions are up-to-date; and (vii) new portfolios containing securities have all securities properly coded for inherited process.

Market conditions, technology failures, illiquid securities, securities with limited redemption schedules, trading volumes, and orderly purchase and redemption procedures may cause a delay in the account being deemed in good order.

Processing dates of account information may be adjusted to ensure accurate reviews of account information.

Other affiliated transactions

UBS AM may designate any broker or dealer to receive selling concessions, discounts or other allowances or may otherwise deal with any broker or dealer in connection with the acquisition of securities in underwritings. To the extent an affiliate is a participating underwriter in a syndicate, the affiliate may receive an indirect benefit from the purchase of shares by client accounts. UBS AM will not cause client accounts to purchase shares of securities in an underwriting directly from an affiliate. Purchases in an underwriting syndicate for clients who are subject to ERISA or the Investment Company Act will be made in compliance with the terms of Prohibited Transaction Exemption 75-1, or other applicable exemption, and Rule 10f-3 under the Investment Company Act, respectively.

Item 13: Review of Accounts

Overview

This section of the Firm Brochure describes our process for reviewing client accounts. We also describe the types of reports we provide to clients.

Account review procedures

Before an Institutional account is officially opened and trading begins, client guidelines are reviewed and are distributed in a pre-funding meeting attended by the legal, compliance, client servicing, operations, investment, and trading groups. Following an account funding, revisions or changes to guidelines are communicated and reviewed with the same groups prior to implementation.

Transactions Reviews

The Active Equities management team monitors the portfolio risk exposures and characteristics of all of the active equities strategies managed on the Firm's platform. In addition, the Active Equities management team formally conducts regular deep-dive reviews centered on investment processes in a setting called the Investment Process Forum. The objective of the Forum is to ensure portfolio managers are true to their stated investment processes and to fortify the culture of continual introspection and process refinement.

The Fixed Income Investment Forum meets monthly to discuss and establish key strategic global views. This Forum reviews markets and establishes key macro themes and risks. They also forecast market factors and identify investment ideas for their asset class. The Forum then disseminates these views to the various portfolio management teams. The Quarterly Performance Review Forum also reviews the performance of the fixed income strategies.

The Investment Solutions Investment Committee is the formal forum for monitoring of markets, tactical asset allocation decision making, and evaluation of new investment proposals. In addition, the Investment Solutions Risk and Performance Forum holds formal portfolio review meetings where the portfolio management team is assessed on various factors, including portfolio performance relative to their return objectives, and risk positioning of the portfolio versus the respective risk budget.

On a portfolio level, each institutional account has one or more assigned portfolio managers that are responsible for portfolio construction. The portfolio managers work with the clients to formulate the investment policies for each institutional account. The portfolio managers make decisions on the purchase, sale or retention of the assets held in client accounts in accordance with these investment policies.

Transactions are executed by portfolio managers or order placement specialists, and confirmations for all trades in client accounts are reviewed daily. Transaction details may be sent to the client or the custodian daily. Transaction details are also reconciled to the report of the trustee or custodian by an account administrator monthly.

UBS AM currently has various manual and automated pre- and post-trade monitoring processes and systems in place. For different clients or groups of clients, we may use different screening tools for monitoring restrictions and client guidelines. Therefore, clients that impose similar restrictions may or may not have similar portfolios.

In addition to the account review processes described above, our client servicing, compliance, legal, and investment teams conduct regular and periodic reviews of client accounts, including review of portfolio holdings, legal documentation and restrictions, Know Your Customer documentation and other client information (e.g., Qualified Institutional Buyer status under Rule 144A, restricted person status under FINRA Rules 5130/5131, etc.), authorized signers lists, investment guidelines, fees and billing cycle, reporting and performance, and such other matters as UBS AM deems appropriate. The supervised persons who conduct these reviews may include client service managers, portfolio managers, in-house legal counsels, compliance officers, and portfolio managers.

Finally, wrap accounts are serviced by their Financial Advisors, who are informed on an ongoing basis of their client account transactions, holdings and performance.

Valuation reviews

UBS AM has engaged the services of third-party pricing vendors to provide prices for securities held in client accounts. From time-to-time additional sources such as broker quotes or market prices are also used.

Portfolio managers are primarily responsible for monitoring the pricing and liquidity of securities held in client accounts, and UBS AM has implemented various procedures that it believes are reasonably designed to monitor and identify illiquid and stale priced securities. If a portfolio manager questions the pricing of a security, he/she is required to contact UBS AM's Global Valuation Committee, which is composed of personnel from the investment, market risk control, fund accounting and operations areas of the Firm. If the Valuation Committee agrees that the primary and secondary pricing sources are not accurate, the Committee will implement a fair value methodology (such as model or matrix pricing) to value the security using all information available to it, including input from the portfolio manager. Individual securities or sectors of securities may be fair valued in response to issuer specific or market events.

In addition, the Valuation Committee has engaged a third- party vendor to provide fair value pricing factors for all foreign equity securities and certain foreign equity futures held by certain pooled funds managed by UBS AM. These pricing factors are used to adjust the prices of securities held by the pooled funds to prevent market timing or arbitrage opportunities based on the movement of various markets around the world.

The fair valuation of securities held in client accounts may result in instances where a security held in one account is priced at a different level than the same security held in another account. UBS AM has implemented various procedures reasonably designed to monitor and identify illiquid and stale priced securities. Any significant pricing or valuation issues identified are brought to UBS AM's global valuation committee for consideration. Valuation procedures will vary for infrastructure assets based on the region.

Client reporting

There is considerable variation in the number of accounts assigned to different portfolio managers, client relationship managers and client service managers, depending upon such factors as the type of account, the amount of assets under management, the nature of the investment goals and objectives and the location of the client.

The nature and frequency of reporting to clients will vary depending upon a number of factors, including the investment program chosen by the client, the needs of the client, and the terms of the contract and other discussions between the client and UBS AM.

Typically, clients and/or their custodian banks are regularly furnished with confirmations (from the executing broker), written portfolio appraisal reports and summaries, written purchase and sales reports and written performance reviews with respect to their investment advisory accounts. All reports (other than trade confirmations) are sent on either a monthly, quarterly or semi-annual basis, depending on the client's needs. Reports for wrap clients are typically sent by the wrap fee Program Sponsor.

Portfolio appraisal reports and summaries generally classify the securities in a client portfolio by industry, cost, market value, respective percentages of the total portfolio, current yield, and market value.

Transaction summaries are furnished monthly or quarterly as the client requests. The monthly summaries show the activity in any one account and include the security, the number of shares of each security held, costs, proceeds from sales, current market value and realized gains or losses. This information is recapped on a quarterly basis when agreed upon with the client.

Performance reviews usually contain information as to the market value of the total portfolio, contributions and withdrawals, rate of return and comparisons to various published indices. These reviews generally reflect this information by month, by quarter and by year and rate of return since the inception of the account.

At the client’s request, a cumulative monthly statement may also be provided, setting forth the commissions paid by the account on all equity transactions since the beginning of the calendar year in terms of total dollars and cents per share.

UBS AM encourages frequent reviews with clients, particularly early in the relationship. Generally, we meet with each institutional client on a periodic basis, such as quarterly, semi- annually or annually, in order to review investment strategy, performance and administrative matters.

Although we typically do not hold formal periodic meetings with clients investing in wrap programs in which we are a participating manager, we will make personnel available upon request to respond to questions from a client's financial adviser about the investments made in his/her account.

Item 14: Client Referrals and Other Compensation

Client referrals

Affiliated or unaffiliated persons ("**promoters**") may, from time to time, refer, solicit, or introduce clients to UBS AM or investors in private funds advised by UBS AM. UBS AM may compensate certain promoters consistent with the requirements of applicable law and regulation, including the Advisers Act as well as applicable state/local laws and regulations. We may pay a promoter a recurring fee, a one-time fee or a portion of the advisory fees or revenues that we earn for managing client or investor assets referred to us by the promoter. The costs of such referral fees are typically paid entirely by UBS AM and do not result in any additional charges to the client or investor. However, certain referral arrangements may result in additional costs to a client or investor in addition to UBS AM's advisory fee. In such instances, UBS AM will disclose the additional costs as well as the differential, if any, among clients or investors with respect to the amount or level of advisory fees if such differential is attributable to the existence of the referral arrangement. In addition, our client service representatives and certain of our affiliates' employees may receive incentive compensation, a portion of which may be attributable to solicitation or sales activities. UBS AM may also enter into arrangements to reimburse our and our affiliates' employees for certain business expenses incurred in the solicitation of prospective clients or investors.

All arrangements to pay promoters or placement agents for soliciting or doing business with a government client or investor must comply with the Advisers Act as well as any applicable state/local laws or regulations regarding the use of placement agents. UBS AM has implemented policies and procedures regarding political contributions and doing business with government entities in accordance applicable laws and regulations, including Rule 206(4)-5 under the Advisers Act. All of our employees are required to receive written preclearance for any political contributions through our centralized compliance department to ensure compliance with applicable political contribution restrictions. Furthermore, we do not normally allow political contributions to be made by UBS AM.

UBS AM employees may occasionally refer clients to our affiliates and may be compensated by such affiliates, consistent with the requirements of applicable law and regulation. Where we have the discretion to allocate client assets we are managing to an affiliate for management as a sub- adviser, we will not receive any referral fees as a result of such allocation.

Clients may also retain their own consultants to whom they pay fees directly. UBS AM and its affiliates may, from time to time, retain these consultants and pay them fees for various services provided to our Firm such as pension consulting, market data, educational conferences, or, separate research projects. Consultants performing due diligence on UBS AM's investment processes may occasionally attend internal investment strategy meetings, provided that the consultant has executed a confidentiality agreement prior to attending the meetings.

Item 15: Custody

UBS AM does not maintain physical custody of any client assets, as all of our clients' assets are maintained by qualified custodians. The term "custody", however, is broadly defined by the SEC, and UBS AM performs certain activities that result in UBS AM being deemed to have custody under SEC Rule 206(4)-2 (the "Custody Rule").

UBS AM sends periodic account statements to our clients. We believe, after due inquiry, that our clients' qualified custodians send periodic account statements to them as well.

Additionally, private fund clients may engage independent public accountants to conduct an annual audit in accordance with the Custody Rule. If the investors in such funds receive audited financial statements prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**"), within 120 days of each fund's fiscal year end, UBS AM, as the investment adviser to those private funds, is not subject to certain requirements of the Custody Rule.

To ensure the safekeeping of their assets, clients should review and reconcile any account statements received from UBS AM with those received from their qualified custodian, and should promptly notify UBS AM and their qualified custodian if any discrepancies are identified.

Item 16: Investment Discretion

Discretionary authority

UBS AM offers both discretionary (clients who have authorized our Firm to execute transactions for their accounts without prior approval) and non-discretionary (clients who require that transactions be either traded by or authorized by them in advance) investment management services. In either circumstance, clients may limit or prohibit UBS AM from engaging in certain transactions due to asset allocation ranges, restrictions on the purchase of particular classes of securities or specific issuers, or other investment factors or account requirements. In addition, clients may further limit our authority by requiring that all or a portion of the client's transactions be executed through client's designated broker-dealer ("client directed brokerage"). Before UBS AM will assume discretionary authority for a client, the client and UBS AM must enter into an investment management agreement granting us authority to execute trades for the client.

Item 17: Voting Client Securities

Overview

This section of the Firm Brochure describes our proxy voting policies and procedures.

UBS AM believes that the consideration of material ESG factors within the investment decision process can protect and enhance the value of our clients' investments, and lead to better investment decisions, adding value to portfolios within the same risk/return profile. Integral to this view is that effective stewardship of our client assets is a core part of our responsibility to protect and enhance client assets, and is therefore a core element of our fiduciary duty.

Our stewardship policy is our commitment to act as active owners of assets held and managed on behalf of our clients, across asset classes and strategies. In this regard, in addition to being signatories to the UN Principles for Responsible Investment, we are also signatories to codes of best practice in respect of investor stewardship in Hong Kong, Japan, Taiwan and the UK. We have also endorsed the ISG US Stewardship Principles and ICGN Global Stewardship Principles.

We believe that engaging with investee companies enables us to identify longer-term issues that drive company value and contribute to the success of the investment over time. Our engagement with companies and issuers may cover a wide range of topics, related to material matters including business strategy, corporate governance, and longer-term sustainability factors that have an impact on company performance. Where relevant this may include issues such as climate change, environmental management and human capital.

We aim to be engaged shareholders and encourage companies to have strong and effective governance and a high standard of corporate behavior. These efforts involve reaching out to both executive and, ideally, non-executive, board members in order to understand the company's strategy and to provide our feedback on which measures can be taken to enhance long-term value and mitigate risk, when deemed necessary from an investment perspective.

Proxy voting policies

Unless clients have reserved voting rights to themselves, UBS AM will direct the voting of proxies on securities held in client accounts. Our proxy voting policy is based on our belief that voting rights have economic value and must be treated accordingly. Where clients of UBS Asset Management have delegated to us the discretion to exercise the voting rights for shares they beneficially own, we have a fiduciary duty to vote such shares in the clients' best interest and in a manner which achieves the best economic outcome for their investments.

Generally, we expect the boards of directors of companies issuing securities held in client accounts to act as stewards of the financial assets of the company, to exercise good judgment and practice diligent oversight of the management of the company. While there is no absolute set of rules that determine appropriate corporate governance under all circumstances and no set of rules will guarantee ethical behavior, there are certain benchmarks, which, if substantial progress is made, give evidence of good corporate governance.

When UBS AM's view of a company's management is favorable, we generally support current management initiatives. When our view is that changes to the management structure may increase shareholder value, we may not support existing management proposals. In general, UBS AM: (1) opposes proposals which act to entrench management; (2) believes that boards should be independent of company management and composed of persons with requisite skills, knowledge and experience; (3) opposes structures which impose financial constraints on changes in control; (4) believes remuneration should be commensurate with responsibilities and performance; and (5) believes that appropriate steps should be taken to ensure the independence of auditors. UBS AM may delegate to an independent proxy voting and research service the authority to exercise the voting rights associated with certain client holdings. Except as provided below with respect to Proxy Voting Policy For Certain Portfolios in the ACCESS, SWP, AAP, MAC and the Advice Portfolio Programs, any such delegation shall be made with the direction that the votes be exercised in accordance with UBS AM's proxy voting policies. In addition, UBS AM has become a signatory to the United Nations Principles for Responsible Investment, which is available at www.unpri.org.

UBS AM has implemented procedures designed to identify whether we have a conflict of interest in voting a particular proxy proposal, which may arise as a result of our or our affiliates' client relationships, marketing efforts or banking, investment banking and broker-dealer activities. To address certain conflicts, we have imposed information barriers between ourselves and our affiliates who conduct banking, investment banking and broker-dealer activities and have implemented procedures to prevent business, sales and marketing issues from influencing our proxy votes. Whenever we are aware of a conflict with respect to a particular proxy, the vote will be cast strictly in line with our policy guidelines. Any deviation from this will be reviewed and approved by our Stewardship Committee, to ensure that our principles are consistently applied.

Most discretionary clients give UBS AM the authority to vote proxies on their behalf. However, clients may opt to retain the right to vote proxies for securities in their account. If a client has retained proxy voting rights, the client is responsible for making arrangements to receive proxies and other solicitations directly from its custodian or transfer agents for the issuers. UBS AM does not generally communicate its proxy recommendations to such clients, but such clients may request to consult UBS AM with questions about a particular proxy.

A copy of UBS AM's full proxy voting policy is available to clients upon request. Additionally, information about how we voted proxies for securities held in a client's account will be made available upon request.

Proxy Voting Policy For Certain Portfolios in the Wrap Fee Program

Clients in the ACCESS, SWP, AAP, UBS-CAP, MAC and Advice Portfolio Program where UBS AM offers discretionary investment management services have the option to elect to vote their own proxies.

With respect to (i) the Advice Portfolio Program, (ii) the Portfolios (as defined in *Item 4 Advisory Business* above) and (iii) the certain ACCESS, SWP, AAP and MAC portfolios that largely invest in pooled investment companies , unless clients have reserved voting rights to themselves, UBS AM has engaged and has delegated proxy voting authority over these accounts to Institutional Shareholder Services Inc. ("**ISS**"), a proxy voting service. UBS AM may also withdraw its proxy voting delegation from ISS and vote the proxies in accordance with UBS AM's proxy voting policy. If this occurs, clients in these Portfolios will receive notice of such change in proxy voting delegation. Anytime during which proxy voting authority is delegated to ISS, UBS AM will pay ISS fees and expenses related to proxy services, but not those of any separate proxy voting agent that a client may engage.

If UBS AM designates ISS to vote proxies on behalf of the clients (a "Proxy Voting Agent"), the Proxy Voting Agent will serve as the agent and attorney-in-fact to receive and vote all proxies and will be responsible for voting on matters requiring a proxy vote for the securities held in the client accounts and in accordance with its proxy voting guidelines, the ISS United States Proxy Voting Guidelines Benchmark Policy Recommendations.

ISS will not vote in the following circumstances: (a) the securities are no longer held in the account; or (b) the proxy or other relevant materials are not received by ISS in sufficient time to allow an appropriate analysis or to allow a vote to be cast by the voting deadline. In addition, ISS generally does not make recommendations, and will not vote proxies or file claims in respect to bankruptcies and class actions, limited partnership or bond issues, preferred stock, and certain foreign securities, if voting may cause the sale of the security to be prohibited under foreign law for a period of time, usually the time between the record and meeting dates ("share blocking"). Also, ISS will not vote or advise clients on other corporate actions, like tender offers, which do not require a proxy or are not solicited via a proxy.

ISS' United States Proxy Voting Guidelines Benchmark Policy Recommendations, United States Concise Proxy Voting Guidelines Benchmark Policy Recommendations summary and ISS' Form ADV Part 2A are available at https://www.ubs.com/us/en/asset-management/individual-investors-and-financial-advisors/products/separately-managed-accounts.html. Copies of ISS' proxy voting policy and summary are available upon request. Clients may also request specific information as to how proxies for account securities were voted. Please contact your Financial Advisor regarding these requests.

UBS AM reserves the right, in its discretion, to designate a different independent Proxy Voting Agent to act as agent and attorney-in-fact to vote proxies for accounts and to pay for such proxy service related fees and expenses.

Item 18: Financial Information

To the best of our knowledge, there are no financial conditions to disclose at the present time that we believe are reasonably likely to impair our ability to meet our contractual commitments to our clients.

UBS AM has not been the subject of a bankruptcy petition at any time during the past ten years.

Appendix A — Separate Account Fee Schedules

	Assets under Management	Annual Fee % of Assets
US Equity Large Cap	First $50,000,000	0.55%
	Next $50,000,000	0.46%
	Next $150,000,000	0.44%
	Next $250,000,000	0.42%
	Thereafter	0.42%
	Minimum Investment	$50,000,000
	Minimum Fee	$150,000
US Sustainable Equity	First $50,000,000	0.60%
	Next $50,000,000	0.51%
	Next $150,000,000	0.48%
	Thereafter	0.47%
	Minimum Investment	$50,000,000
	Minimum Fee	$150,000
US Equity Large Cap Select Growth	First $50,000,000	0.60%
	Next $50,000,000	0.51%
	Next $150,000,000	0.48%
	Next $250,000,000	0.47%
	Thereafter	0.46%
	Minimum Investment	$50,000,000
	Minimum Fee	$150,000
US Equity Large Cap Diversified Growth	First $50,000,000	0.60%
	Next $50,000,000	0.51%
	Next $150,000,000	0.48%
	Thereafter	0.47%
	Minimum Investment	$50,000,000
	Minimum Fee	$150,000
US Equity Small Cap Growth	First $50,000,000	0.76%
	Next $50,000,000	062%
	Next $150,000,000	0.59%
	Next $250,000,000	0.57%
	Thereafter	0.56%
	Minimum Investment	$50,000,000
	Minimum Fee	$250,000

GLOBAL EQUITIES

	Assets under Management	Annual Fee % of Assets
Global Equity Ex-US	**First $50,000,000**	**0.47%**
	Next $50,000,000	**0.39%**
	Next $150,000,000	**0.37%**
	Next $250,000,000	**0.36%**
	Thereafter	**0.35%**
	Minimum Investment	**$50,000,000**
	Minimum Fee	**$150,000**
Global Equity Concentrated Alpha	**First $50,000,000**	**0.60%**
	Next $50,000,000	**0.53%**
	Next $150,000,000	**0.51%**
	Thereafter	**0.50%**
	Minimum Investment	**$50,000,000**
	Minimum Fee	**$150,000**
Global Sustainable Equity	**First $50,000,000**	**0.61%**
Global Ex-US Sustainable Equity	**Next $50,000,000**	**0.51%**
	Next $150,000,000	**0.49%**
	Next $250,000,000	**0.47%**
	Thereafter	**0.46%**
	Minimum Investment	**$50,000,000**
	Minimum Fee	**$150,000**
Global Engage for Impact Equity	**First $50,000,000**	**0.47%**
	Next $50,000,000	**0.39%**
	Next $150,000,000	**0.37%**
	Next $250,000,000	**0.36%**
	Thereafter	**0.35%**
	Minimum Investment	**$50,000,000**
	Minimum Fee	**$150,000**

EMERGING MARKETS EQUITIES

	Assets under Management	Annual Fee % of Assets
Emerging Markets Equity	**First $100,000,000**	**0.63%**
	Next $150,000,000	**0.51%**
	Next $250,000,000	**0.49%**
	Thereafter	**0.47%**
	Minimum Investment	**$75,000,000**
	Minimum Fee	**$250,000**
Emerging Markets Equity High-Alpha Long-term Opportunity (HALO)	**First $100,000,000**	**0.93%**
	Next $150,000,000	**0.79%**
	Thereafter	**0.76%**
	Minimum Investment	**$75,000,000**
	Minimum Fee	**$500,000**
China A Equity	**First $100,000,000**	**0.93%**
	Next $150,000,000	**0.79%**
	Thereafter	**0.76%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$500,000**
China Equity Opportunity	**First $100,000,000**	**0.72%**
	Next $150,000,000	**0.61%**
	Thereafter	**0.59%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$500,000**
Greater China Equity	**First $100,000,000**	**0.83%**
	Next $150,000,000	**0.70%**
	Thereafter	**0.67%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$500,000**
All China Equity	**First $100,000,000**	**0.72%**
	Next $150,000,000	**0.61%**
	Thereafter	**0.59%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$500,000**

INDEX EQUITIES

	Assets under Management	Annual Fee % of Assets
Global Equity Indexed	**First $100,000,000**	**0.08%**
	Next $150,000,000	**0.03%**
	Next $250,000,000	**0.02%**
	Thereafter	**0.015%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$75,000**
Emerging Markets Equity Indexed	**First $100,000,000**	**0.12%**
	Next $150,000,000	**0.05%**
	Next $250,000,000	**0.03%**
	Thereafter	**0.02%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$100,000**
Climate Aware World Equity Rules-Based Strategy	**First $100,000,000**	**0.12%**
	Next $150,000,000	**0.06%**
	Next $250,000,000	**0.05%**
	Thereafter	**0.04%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$100,000**
MSCI USA Minimum Volatility Index Strategy	**First $100,000,000**	**0.07%**
	Next $150,000,000	**0.03%**
	Next $250,000,000	**0.02%**
	Thereafter	**0.015%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$75,000**
MSCI World ex USA Minimum Volatility Index Strategy	**First $100,000,000**	**0.10%**
	Next $150,000,000	**0.04%**
	Next $250,000,000	**0.03%**
	Thereafter	**0.02%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$75,000**

FIXED INCOME

	Assets under Management	Annual Fee % of Assets
US High Yield Bond	**First $100,000,000**	**0.46%**
	Next $150,000,000	**0.36%**
	Next $250,000,000	**0.34%**
	Thereafter	**0.32%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$250,000**
Municipal Bond	**First $100,000,000**	**0.18%**
	Next $150,000,000	**0.13%**
	Next $250,000,000	**0.12%**
	Thereafter	**0.11%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$100,000**
Short Duration Bond	**First $100,000,000**	**0.18%**
	Next $150,000,000	**0.14%**
	Next $250,000,000	**0.12%**
	Thereafter	**0.11%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$100,000**
Global Dynamic	**First $100,000,000**	**0.45%**
	Next $150,000,000	**0.41%**
	Next $250,000,000	**0.40%**
	Thereafter	**0.39%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$500,000**
Emerging Markets Debt USD	**First $100,000,000**	**0.49%**
	Next $150,000,000	**0.37%**
	Next $250,000,000	**0.35%**
	Thereafter	**0.33%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$250,000**
Emerging Markets Debt Corporate	**First $100,000,000**	**0.51%**
	Next $150,000,000	**0.38%**
	Next $250,000,000	**0.35%**
	Thereafter	**0.33%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$250,000**
Emerging Markets Debt Indexed	**First $ 100,000,000**	**0.21%**
	Next $150,000,000	**0.08%**
	Next $250,000,000	**0.06%**
	Thereafter	**0.04%**
	Minimum Investment	**$100,000,000**
	Minimum Fee	**$150,000**