

# UBS (CH) Institutional Fund

Investment fund under Swiss law with multiple sub-funds (umbrella fund) for qualified investors of the category "Other funds for traditional investments"

Fund contract with Appendix

September 2016

## Fund contract

### I. Basics

#### § 1 Name; name and domicile of the fund management company, the custodian bank and asset manager

1. A contractually based umbrella fund of the "Other funds for traditional investments" category ("umbrella fund") has been established under the name UBS (CH) Institutional Fund in accordance with Art. 25 ff. in association with Art. 68 ff. in association with Art. 92 f. of the Swiss Collective Investment Schemes Act (CISA) of June 23, 2006, which is divided into the following sub-funds:

- A. Bonds CHF Ausland
- B. Bonds CHF Ausland Corporate Passive II
- C. Bonds CHF Ausland Medium Term
- D. Bonds CHF Ausland Medium Term Passive
- E. Bonds CHF Ausland Passive
- F. Bonds CHF Ausland Passive II
- G. Bonds CHF Inland
- H. Bonds CHF Inland Corporate Passive II
- I. Bonds CHF Inland Medium Term
- J. Bonds CHF Inland Medium Term Passive
- K. Bonds CHF Inland Passive
- L. Bonds CHF Inland Passive II
- M. Bonds CHF Prime Inland
- N. Bonds CHF Prime Ausland
- O. Bonds USD Inflation-linked Passive II
- P. Equities Canada Passive
- Q. Equities Canada Passive II
- R. Equities Emerging Markets Asia
- S. Equities Emerging Markets Global
- T. Equities Emerging Markets Global Passive II
- U. Equities Emerging Markets Global Minimum Volatility II
- V. Equities Europe (ex Switzerland)
- W. Equities Europe Passive
- X. Equities Europe Passive II
- Y. Equities Global Passive
- Z. Equities Global Passive II
- AA. Equities Global Passive (CHF hedged) II
- BB. Equities Global (ex Switzerland) Quantitative
- CC. Equities Global Small Cap Passive II
- DD. Equities International (ex Switzerland)
- EE. Equities Japan Passive:
- FF. Equities Japan Passive II
- GG. Equities Switzerland
- HH. Equities Switzerland Passive All
- II. Equities Switzerland Passive Large
- JJ. Equities Switzerland Passive All II
- KK. Equities Switzerland Passive Large II
- LL. Equities Switzerland Small & Mid Cap Passive II
- MM. Equities USA Passive
- NN. Equities USA Passive II
- OO. Equities Pacific (ex Japan) Passive
- PP. Equities Pacific (ex Japan) Passive II
- QQ. Euro Bonds Passive
- RR. Global Aggregate Bonds Passive II
- SS. Global Aggregate Bonds Passive (CHF hedged) II
- TT. Global Allocation (USD)
- UU. Global Bonds 1

- VV. Global Bonds 2
  - WW. Global Bonds 3
  - XX. Global Bonds 4
  - YY. Global Bonds Conservative Passive II
  - ZZ. Global Bonds Fiscal Strength Passive (CHF hedged)
  - AAA. Global Bonds Diversified
  - BBB. Global Bonds Passive
  - CCC. Global Bonds Passive (hedged CHF)
  - DDD. Global Bonds Passive II
  - EEE. Global Corporate Bonds Passive (CHF hedged) II
  - FFF. Equities Global Small Cap (ex Switzerland) II
  - GGG. Global Equities (ex Switzerland)
  - HHH. Global Real Estate Securities Passive II
  - III. JPY Bonds Passive
  - JJJ. Small & Mid Cap Equities Switzerland
  - KKK. Swiss Real Estate Selection II
  - LLL. GBP Bonds Passive
  - MMM. USD Bonds Passive
  - NNN. Equities Emerging Markets Small Cap Passive II
2. Pursuant to Art. 10 para. 5 CISA and upon the request of the fund management company with the consent of the custodian bank, the Swiss Financial Market Supervisory Authority (FINMA) has approved that the fund management company be exempt from the regulations governing the obligation to produce a prospectus and key information for investors, the obligation to issue and redeem units in cash, the obligation to publish prices, and the obligation to publish a semi-annual report. Furthermore, instead of payment in cash, the fund management company may in individual cases agree to let investors pay for fund units with securities. Redemptions may also be carried out by returning securities to investors instead of making payments in cash.
- In place of the prospectus, the fund management company shall provide investors with supplementary details in the appendix to this fund contract regarding, in particular, the investment objective, any delegation of investment decisions, any exemption pursuant to Art. 31 para. 3 CISA and delegation of further duties of the fund management company, as well as regarding paying agents, distributors and the external auditors of the umbrella fund. The investor is entitled to receive additional details and information on the relevant sub-fund from the fund management company at any time.
- 3. UBS Fund Management (Switzerland) AG, Basel, is the fund management company.
  - 4. UBS Switzerland AG, Zurich, is the custodian bank.
  - 5. The asset manager for all sub-funds is UBS Asset Management, a division of UBS AG, Basel and Zurich.
  - 6. UBS Asset Management (Americas) Inc., Chicago, is an additional asset manager for the sub-fund "– Equities Global (ex Switzerland) Quantitative".

## **II. Rights and obligations of the contracting parties**

### **§ 2 The fund contract**

The legal relationship between the investor<sup>1</sup> on the one hand and the fund management company and the custodian bank on the other is governed by this fund contract and the applicable provisions of Swiss legislation concerning collective investment schemes.

### **§ 3 The fund management company**

- 1. The fund management company manages the sub-funds at its own discretion and in its own name, but for the account of the investors. In particular, the company shall make all decisions relating to the issuing of units, the investments and their valuation. It shall calculate the net asset values of the sub-funds, set the issue and redemption prices and also determine the distribution of income. The fund management company shall exercise all rights associated with the umbrella fund and the sub-funds.
- 2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They shall act independently and exclusively in the interests of investors. They shall take any organizational steps that may be required to ensure the proper conduct of business and ensure transparent accounting and the supply of appropriate information regarding this umbrella fund and the sub-funds. They shall disclose all fees and costs payable directly or indirectly by the investors and how said fees and costs have been used. They shall also provide investors with full, clear and accurate information about any compensation paid for distributing collective investments in the form of commission, brokerage fees and other monetary benefits.
- 3. The fund management company may delegate investment decisions and specific tasks with respect to all or some of the sub-funds, provided that this is in the interests of efficient management. The fund management company shall only delegate responsibilities to individuals who are qualified to discharge their

<sup>1</sup> For reasons of readability, no gender-specific differentiation is made, e.g. chairman/chairwoman. In principle, such terms apply for both genders.

duties properly and shall ensure that such duties are discharged correctly with regard to both the instructions provided and monitoring and control.

The fund management company may only delegate investment decisions to asset managers who are subject to recognized supervision.

Where foreign law requires an agreement for the cooperation and exchange of information with foreign supervisory authorities, the fund management company may delegate investment decisions to asset managers abroad only if such an agreement exists between FINMA and the relevant foreign supervisory authority for the investment decisions in question.

The fund management company shall be liable for the actions of its agents as if they were its own actions.

4. The fund management company may, with the consent of the custodian bank, apply to the supervisory authority for permission to amend this fund contract (see § 26).
5. The fund management company may merge individual sub-funds with other sub-funds or other investment funds pursuant to the provisions set down under § 24 and may liquidate individual sub-funds pursuant to the provisions set down under § 25.
6. The fund management company is entitled to receive the remuneration stipulated in §§ 18 and 19. It is further entitled to be released from any liabilities assumed in the proper performance of its duties and to be reimbursed for expenses incurred in connection with such liabilities.

#### **§ 4 Custodian bank**

1. The custodian bank shall ensure the safekeeping of the sub-funds' assets. It shall handle the issue and redemption of fund units and payment transfers on behalf of the sub-funds.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They shall act independently and exclusively in the interests of investors. They shall take any organizational steps that may be required to ensure the proper conduct of business and ensure transparent accounting and the supply of appropriate information regarding this umbrella fund and the sub-funds. They shall disclose all fees and costs payable directly or indirectly by the investors and how said fees and costs have been used. They shall also provide investors with full, clear and accurate information about any compensation paid for distributing collective investments in the form of commission, brokerage fees and other monetary benefits.
3. The custodian bank shall be responsible for managing the account and assets of the sub-funds, but may not access the sub-funds' assets in its own right.
4. The custodian bank shall ensure that the countervalue for all transactions pertaining to the sub-funds' assets is transferred within the usual timescales. It shall notify the fund management company if the countervalue is not received within the usual timescales and shall demand reimbursement for the relevant asset from the counterparty if possible.
5. The custodian bank shall manage the requisite records and accounts in such a way as to be able to identify the assets in custody for each individual sub-fund at any time.  
The custodian bank shall verify that assets which cannot be deposited are the property of the fund management company and record the information accordingly.
6. The custodian bank may delegate the safekeeping of the sub-funds' assets to third-party or collective depositaries in Switzerland and abroad, provided that this is in the interests of effective custody. The custodian bank shall verify and monitor the third-party and collective depositaries to whom the task has been delegated to ensure that:
  - a) They have a suitable operating structure, and the financial guarantees and professional qualifications necessary to manage the type and complexity of assets that have been entrusted to them;
  - b) They are subject to regular external audits which ensure that the financial instruments are in their possession;
  - c) The assets entrusted to them by the custodian bank are held in such a way as to enable the custodian bank to clearly identify them as the assets of the respective sub-fund through regular reconciliations;
  - d) They comply with the requirements applicable to the custodian bank in relation to the delegated tasks and avoiding conflicts of interest.

The custodian bank shall be liable for any losses caused by the agent unless the bank is able to prove that due care was exercised in the selection, instruction and supervision of the agent. The prospectus contains information about the risks associated with delegating safekeeping duties to third-party and collective depositaries.

For financial instruments, the delegation of safekeeping duties pursuant to the preceding paragraph may only be carried out with regulated third-party or collective depositaries. This does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a regulated third-party or collective depositary, notably due to binding legal constraints or the particularities of the investment product. The product documentation shall inform investors if safekeeping is to be undertaken by unregulated third-party or collective depositaries.

7. The custodian bank shall ensure that the fund management company complies with the law and the fund contract. The custodian bank shall check whether the calculation of net asset value, issue and redemption prices of units and investment decisions are being carried out in accordance with the law and the fund contract, and whether the net income is appropriated as stipulated in the fund contract. The custodian bank shall not be responsible for any investment selection made by the fund management company within the scope of the investment guidelines.

8. The custodian bank shall be entitled to receive the remuneration stipulated in §§ 18 and 19. The custodian bank is further entitled to be released from any liabilities assumed in the proper performance of its duties and to be reimbursed for expenses incurred in connection with such liabilities.

## **§ 5 Investors**

1. The group of investors is restricted to qualified investors.  
Within the meaning of this fund contract, qualified investors are exclusively:
  - a) supervised financial intermediaries such as banks, securities dealers and fund management companies;
  - b) supervised insurance companies;
  - c) public-law entities and pension schemes with professional treasury operations;
  - d) companies with professional treasury operations;
  - e) high-net-worth individuals pursuant to Art. 10 para. 3bis CISA who provide a written declaration they want to be deemed a qualified investor (opting-in);
  - f) Investors who, pursuant to Art. 10 para. 3ter CISA, have concluded a written discretionary management agreement, provided they have not declared that they do not want to be deemed qualified investors (opting-out).The fund management company and custodian bank shall ensure that investors meet the investor group requirements.
2. Upon execution of the contract and remittance of a cash payment, the investor acquires a claim against the fund management company for an interest in the umbrella fund sub-fund's assets and income. Instead of remitting a cash payment, the investor may request and make, subject to the agreement of the fund management company, a contribution in kind in accordance with § 17 prov. 7. The investor's claim is evidenced in the form of units.
3. Investors are only entitled to an interest in the assets and income of the sub-fund in which they hold units. Any liabilities attributable to individual sub-funds are borne solely by the individual sub-fund concerned.
4. Investors are only obliged to remit payment for the units of the sub-fund to which they subscribe. They shall not be held personally liable in respect of the liabilities of the umbrella fund and/or sub-fund.
5. Investors may at any time request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. The fund management company shall also supply further information regarding specific transactions it has carried out, such as the exercise of membership and creditors' rights, risk management or contributions and redemptions in kind, to any investor claiming an interest in such matters at any time. Investors are entitled to submit an application to the court having jurisdiction in the domicile of the fund management company requesting that the external auditors, or another entity with appropriate expertise, investigate and report on any facts or circumstances for which disclosure is required.
6. Investors shall be entitled to terminate the fund contract at any time and request payment in respect of units held in the corresponding sub-fund in cash. Instead of payment in cash, the investor may request and receive, subject to the agreement of the fund management company, a redemption in kind in accordance with § 17 prov. 7.
7. Upon request, investors are obliged to provide the fund management company, the custodian bank and its agents with documentary proof that they meet/continue to meet the legal and contractual requirements necessary to be able to participate in the sub-fund or unit class. In addition, they are obliged to immediately notify the fund management company, the custodian bank and its agents if they no longer meet these requirements.
8. An investor's units must be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:
  - a) this is required to safeguard the reputation of the financial center, notably in relation to combating money laundering;
  - b) the investor no longer meets the legal or contractual requirements to participate in a sub-fund.
9. In addition, an investor's units may be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:
  - a) the investor's participation in a sub-fund may materially affect the economic interests of the other investors, particularly if their participation may result in tax disadvantages for the umbrella fund or a sub-fund in Switzerland or abroad;
  - b) investors have acquired or hold units in breach of the provisions of domestic or foreign legislation or provisions of this fund contract or appendix applicable to them;
  - c) the economic interests of investors are affected, particularly in cases in which individual investors attempt to acquire benefits for their portfolio by systematically subscribing and immediately thereafter redeeming units, exploiting time differences between the setting of closing prices and the valuation of the sub-fund's assets (market timing).

## **§ 6 Units and unit classes**

1. The fund management company may, subject to the approval of the custodian bank and the supervisory authority, create different unit classes, or merge or liquidate unit classes, for any sub-fund. All unit classes are entitled to a share in the undivided assets of the relevant sub-fund, which in turn are not segmented. This participation may vary due to class-specific cost charges or distributions or based on class-specific

income, and the net asset value per unit may therefore vary from class to class within a sub-fund. Any class-specific costs charged are met by the aggregate assets of the sub-fund.

2. The creation, liquidation or merger of unit classes shall be announced in the official publication specified for the fund. Only mergers of unit classes shall be deemed to constitute an amendment to the fund contract pursuant to § 26.
3. The various unit classes of the sub-funds may differ, particularly in terms of cost structure, reference currency, currency hedging, distribution or reinvestment of income, minimum investments and investor group. Remuneration and costs shall be charged only to the unit class that benefits from the specific service. Remuneration and costs which cannot be unequivocally attributed to a particular unit class shall be charged to the individual unit classes in proportion to the sub-fund's assets.
4. There are currently the following unit classes for all sub-funds: "I-A1", "I-A2", "I-A3", "I-B", "I-X", "I-P" and "U-X". All unit classes are available exclusively to qualified investors within the meaning of Art. 10 para. 3-3ter CISA who have signed a written agreement for investing in one or several sub-funds of this investment fund with UBS or one of its authorized contracting partners.

All unit classes are only issued as registered units.

The unit classes differ as follows:

- a) "I-A1": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets via the management commission. Unlike unit classes "I-A2" and "I-A3", no minimum holding is required.
- b) "I-A2": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets via the management commission. Unlike unit class "I-A1", a minimum holding is required, which is set out in the appendix. This minimum holding is lower than for unit class "I-A3".
- c) "I-A3": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets via the management commission. Unlike unit class "I-A1", a minimum holding is required, which is set out in the appendix. The minimum holding is higher than for unit class "I-A2".
- d) "I-B": The costs incurred in fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets via the management commission. The costs incurred in asset management and distribution are charged directly to the investor under the aforementioned written agreement. This written agreement concluded with the investor only covers the costs of the service elements of asset management and distribution, but not the costs of fund administration, which are charged directly to the sub-fund's assets. There is no minimum holding required.
- e) "I-X": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the investor under the aforementioned written agreement. This written agreement concluded with the investor covers both the costs of the service elements of asset management and distribution and those of fund administration. There is no minimum holding required.
- f) "I-P": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets via the management commission. There is no minimum holding required. The unit class also differs from all other unit classes in that it has a performance participation, which is set out in the table in prov. 1 of the appendix.
- g) "U-X": The costs incurred in asset management, distribution and fund administration (including fund management company, administrator and custodian bank) are charged directly to the investor under the aforementioned written agreement. This written agreement concluded with the investor covers both the costs of the service elements of asset management and distribution and those of fund administration. There is no minimum holding required. The unit class also differs from all other unit classes in the higher initial issue price and is exclusively available to other collective investment schemes (regardless of their legal form) for the purposes of simplifying administration.

In addition, the seven unit classes listed above also exist for the sub-funds – **Global Bonds Passive II**, – **Global Bonds Conservative Passive II** and – **Bonds USD Inflation-linked Passive II** in hedged form against the Swiss franc, as indicated by the suffix "(CHF hedged)". The seven unit classes listed above also exist for the sub-fund – **Global Bonds Passive II** in hedged form against the US dollar (USD), as indicated by the suffix "(USD hedged)". The seven unit classes listed above also exist for the sub-fund – **Global Aggregate Bonds Passive (CHF hedged) II** in hedged form against the euro (EUR), as indicated by the suffix "(EUR hedged)".

Furthermore, the seven unit classes listed above also exist for the sub-fund – **Equities Emerging Markets Global and – Equities Emerging Markets Global Passive II** in hedged form against the Swiss franc (CHF), as indicated by the suffix "(CHF)".

In addition, the unit class "I-X" also exists for the sub-funds listed below in hedged form against a currency other than the Swiss franc (CHF), as indicated by the affix "([currency])".

|   |  |                    |
|---|--|--------------------|
| – | <b>Equities Europe Passive</b>             | <b>"(EUR) I-X"</b> |
| – | <b>Equities USA Passive</b>                | <b>"(USD) I-X"</b> |
| – | <b>Equities Japan Passive</b>              | <b>"(JPY) I-X"</b> |
| – | <b>Equities Pacific (ex Japan) Passive</b> | <b>"(USD) I-X"</b> |
| – | <b>Equities Canada Passive</b>             | <b>"(CAD) I-X"</b> |

Units in a currency hedged against the unit of account or denominated in another currency will not be issued and redeemed in the unit of account of the sub-fund, but rather in the currency specified in parentheses (reference currency) of the unit class designation.

5. Units shall not take the form of actual certificates but shall exist purely as book entries and must be held exclusively in a custody account at the custodian bank. The investor is not entitled to request the issue of a unit certificate in the investor's name or in bearer form.
6. The fund management company and the custodian bank are obliged to ask investors who no longer meet the requirements to invest in a unit class to redeem their units within 30 calendar days pursuant to § 17, to transfer them to an individual who does meet the stated requirements or to convert the units into another class of the respective sub-fund whose requirements they do meet. If investors fail to comply with this request, the fund management company, in conjunction with the custodian bank, must proceed with a forced conversion into another class of units in the respective sub-fund or, where this is not possible, forced redemption of the units in question in accordance with § 5 prov. 8.

### **III. Investment policy guidelines**

#### **A Investment principles**

##### **§ 7 Compliance with investment guidelines**

1. In selecting the individual investments for each sub-fund, the Fund Management Company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below, which relate to the fund assets of the individual sub-funds at market value and must be observed at all times. The individual sub-funds must comply with the investment restrictions six months following the expiry of the subscription period (launch).
2. If the limits are exceeded due to changes in the market, the investments must be restored to the permitted level within a reasonable period of time, taking due account of the investors' interests. If limits in connection with derivatives pursuant to § 12 below are exceeded through a change in the delta, the permitted levels must be restored within three bank business days at the latest, taking due account of the investors' interests.

##### **§ 8 Investment policy**

1. Within the scope of each sub-fund's specific investment policy and as specified in prov. 3, the fund management company may invest the assets of the individual sub-funds in the following investments. It should be noted that the name of the sub-funds indicated in brackets in prov. 3 refers only to the reference currency of the sub-funds and that this is not necessarily the same as the investment currencies.
  - a) Securities, i.e. securities issued on a large scale and in uncertificated rights with a similar function (uncertified stock), which are listed on a stock exchange or traded on another regulated market open to the public and which embody an equity or a debt security right or the right to acquire such securities and rights via subscription or exchange, such as warrants.  
Investments in securities from new issues shall only be permitted if they are intended for admission to a stock exchange or other regulated market open to the public under the terms of issue. If such investments have not been admitted to a stock exchange or other regulated market open to the public within one year of purchase, the securities must be sold within one month or included under the restrictions set out in prov. 1 h).
  - b) Derivatives if (i) they are based on underlying financial instruments in the form of securities as specified in a), derivatives as specified in b), units in collective investments as specified in c), d) and e), money market instruments as specified in f), or financial indices, interest rates, exchange rates, loans, currencies, precious metals or commodities and (ii) the underlying securities – with the exception of commodities – are permitted investments under the fund contract. Derivatives shall be traded on a stock exchange or another regulated market open to the public, or OTC.  
OTC transactions shall only be permitted if (i) the counterparty is a financial intermediary specializing in this type of transaction and subject to supervision, and (ii) the OTC derivatives are tradable daily or may be submitted to the issuers for redemption at any time. In addition, the valuations of such instruments must be reliable and transparent. The use of derivatives shall be subject to the provisions of § 12.
  - c) Units of other collective investments (target funds) if (i) their documentation restricts investments in other target funds to a maximum of 10%; (ii) the same provisions apply for these target funds as for securities funds with regard to purpose, organization, investment policy, investor protection, risk diversification, separate custody of fund assets, borrowing, lending, short selling of securities and money market instruments, issue and redemption of units and content of semi-annual and annual reports and (iii) these target funds have been approved as collective investments in the country of domicile and

supervision in that country is equivalent to that in Switzerland in respect of the protection afforded to investors and international official assistance is granted.

- d) Units of other collective investments of, or similar to, the type "Other funds for traditional investments" (foreign collective investments only being permitted where equivalent supervision is in place).
  - e) Units of other collective investments of, or similar to, the type "Real estate funds" (foreign collective investments only being permitted where equivalent supervision is in place).
  - f) Structured products if (i) they are based on underlying financial instruments in the form of securities as specified in a), derivatives as specified in b), structured products as specified in f), units in collective investments as specified in d), money market instruments in d) or financial indices, interest rates, exchange rates, loans or currencies and (ii) the underlying securities are permitted investments under the fund contract. The structured products are traded on a stock exchange or another regulated market open to the public, or OTC;  
OTC transactions shall only be permitted if (i) the counterparty is a financial intermediary specializing in this type of transaction and subject to supervision, and (ii) the OTC products are tradable daily or may be submitted to the issuers for redemption at any time. In addition, the valuations of such instruments must be reliable and transparent. The use of derivatives shall be subject to the provisions of § 12.
  - g) Money market instruments which are fungible and marketable at any time and which are traded on a stock exchange or other regulated market open to the public; money market instruments which are not traded on a stock exchange or other regulated market open to the public may only be acquired provided that the issue or issuer is subject to the provisions governing creditor and investor protection and the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 of the Swiss Collective Investment Schemes Ordinance (CISO).
  - h) Precious metals and precious metal certificates up to 10% of a sub-fund's assets.
  - i) Sight or time deposits with a maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank in such country is subject to supervision equivalent to that in Switzerland.
  - j) Investments other than the investments specified in a) to i) above not exceeding 10% of a sub-fund's assets in aggregate. The following are not permitted: (i) investments in commodities and commodities certificates and (ii) short selling in relation to investments of all types as set out in a) to h) above.
2. Subject to § 19, the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is associated through common management or control or by a significant direct or indirect shareholding.

**A. UBS (CH) Institutional Fund – Bonds CHF Ausland**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad and which have a minimum rating of BBB or equivalent (investment grade);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;

- no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
- no more than 10% in total in other collective investments.

**B. UBS (CH) Institutional Fund – Bonds CHF Ausland Corporate Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**C. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF), as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (incl. warrants) on the aforementioned investments.
- For investments in other collective investments pursuant to ab) above, the fund management company shall ensure that on a consolidated basis at least two-thirds of the sub-fund's assets are invested in the investments under aa) above.
- b) Subject to c) below, the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in aa) above;
  - convertible bonds, convertible notes and warrant issues;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments from domestic and foreign issuers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments that do not meet the requirements as stated in ab) above.
- c) In addition, the Fund Management Company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant bonds;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives on equities, other equity paper and rights (including warrants);



- no more than 10% in other collective investments.

Taking into account investments in derivatives pursuant to § 12, the average maturity of the sub-fund's debt paper and rights may not exceed six years and the residual maturity of an individual investment may not exceed ten years. For floating-rate debt paper and rights, the next interest rate adjustment date shall be considered to be the maturity date.

**D. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private and borrowers under public law which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

In addition, the average maturity of the sub-fund must be between one and five years and the residual term to maturity of the individual investments may not exceed ten years.

**E. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private and borrowers under public law which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;

- equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

**F. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private and borrowers under public law which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**G. UBS (CH) Institutional Fund – Bonds CHF Inland**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law which have their registered office in Switzerland and which have a minimum rating of BBB or equivalent (investment grade);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

#### **H. UBS (CH) Institutional Fund – Bonds CHF Inland Corporate Passive II**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers headquartered in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

#### **I. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law headquartered in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments;
  - In addition, the average maturity of the sub-fund must be between one and five years and the residual term to maturity of the individual investments may not exceed ten years.

**J. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law headquartered in Switzerland;
- ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
- ac) derivatives (including warrants) on the investments mentioned above;
- ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.
- In addition, the average maturity of the sub-fund must be between one and five years and the residual term to maturity of the individual investments may not exceed ten years.

**K. UBS (CH) Institutional Fund – Bonds CHF Inland Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law headquartered in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

**L. UBS (CH) Institutional Fund – Bonds CHF Inland Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law headquartered in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;

- no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
- no more than 10% in total in other collective investments;
- securities lending: this sub-fund may not engage in securities lending.

**M. UBS (CH) Institutional Fund – Bonds CHF Prime Inland**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law which have their registered office in Switzerland and which have a minimum rating of AA- from S&P, AA3 from Moody's or AA- from Fitch or equivalent;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

**N. UBS (CH) Institutional Fund – Bonds CHF Prime Ausland**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law which have their registered office abroad, or which, as holding companies, invest mainly in companies which have their registered office abroad or conduct the majority of their business abroad and which have a minimum rating of AA- from S&P, AA3 from Moody's or AA- from Fitch or equivalent;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers which do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;

- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

**O. UBS (CH) Institutional Fund – Bonds USD Inflation-linked Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) inflation-linked debt securities and debt security rights that are issued by international or transnational organizations, by borrowers under public law, mixed enterprise or private borrowers, are denominated in US dollars (USD), and have a minimum rating of BBB- from S&P, Baa3 from Moody's or BBB- from Fitch or equivalent; securities with a lower rating are permitted if the borrowers are included in the reference index;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof. For investments in collective investments, the fund management company ensures that at least two-thirds of the assets of the sub-fund are invested on a consolidated basis in investments in accordance with aa above.
  - ac) derivatives (including warrants) on the investments mentioned above;
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt securities and rights of domestic and foreign issuers that do not meet the requirements set out in prov. 2 aa and do not have a minimum rating of BBB- from S&P, Baa3 from Moody's or BBB- from Fitch or equivalent;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 2 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**P. UBS (CH) Institutional Fund – Equities Canada Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Canada, as holding companies mainly invest in companies which have their registered office in Canada or conduct the majority of their business in Canada;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);

- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**Q. UBS (CH) Institutional Fund – Equities Canada Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Canada, as holding companies mainly invest in companies which have their registered office in Canada or conduct the majority of their business in Canada;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**R. UBS (CH) Institutional Fund – Equities Emerging Markets Asia**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies with their registered office in the emerging markets in Asia, which as holding companies primarily invest in companies with their registered office in the emerging markets in Asia or which carry out the majority of their business activities in emerging markets in Asia;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements as stipulated in prov. 3 aa);



- bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% of fund assets may be invested in other collective investments.

**S. UBS (CH) Institutional Fund – Equities Emerging Markets Global**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**T. UBS (CH) Institutional Fund – Equities Emerging Markets Global Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);

- bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**U. UBS (CH) Institutional Fund – Equities Emerging Markets Global Minimum Volatility II**

3. a) After deducting liquid assets, the fund management company shall invest at least 80% of the sub-fund's assets in:
- aa) Equities and equity rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) of companies that have their registered office in the emerging markets or conduct the majority of their business in the emerging markets, that are included in the benchmark index, as well as those not featured in the benchmark but where profit performance is such that there is a strong likelihood of them being included in the benchmark in the next six months;
  - ab) units in other collective investments within the meaning of prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments;
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company shall ensure that on a consolidated basis at least 80% of the sub-fund's assets are invested in the investments specified under aa) above.
- b) Following the deduction of liquid assets, the fund management company may also invest up to 20% of the sub-fund's assets in:
- ba) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that do not meet the requirements set out in prov. 3 aa);
  - bb) bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by domestic and foreign public law, public/private or private issuers;
  - bc) money market instruments issued by domestic and foreign borrowers in freely convertible currencies;
  - bd) derivatives (including warrants) on the investments mentioned above;
  - be) units of other collective investments in accordance with prov. 1 c) to d) which do not meet the requirements in prov. 3 ab) and whose assets are invested principally in one of the investments specified in ba) and bc);
  - bf) bank deposits.
- c) In addition, the Fund Management Company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) as specified in ba) totalling no more than 10%;
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) as specified in a), ba) and bd) totalling at least 90% on a consolidated basis;
  - no more than 5% in debt instruments;
  - no more than 10% in money market instruments;
  - no more than 10% in other collective investments;
  - securities lending: the sub-fund may not engage in securities lending;
  - repo transactions: the sub-fund may not engage in any repo transactions.

**V. UBS (CH) Institutional Fund – Equities Europe (ex Switzerland)**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies outside Switzerland that have their registered office in Europe, or that as holding companies mainly invest in companies with their registered office in Europe, or that have their principal business activity in Europe;

ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;

ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

#### **W. UBS (CH) Institutional Fund – Equities Europe Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Europe, as holding companies mainly invest in companies which have their registered office in Europe or conduct the majority of their business in Europe;
- ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
- ac) derivatives (including warrants) on the investments mentioned above;
- ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in one-third:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

#### **X. UBS (CH) Institutional Fund – Equities Europe Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Europe, as holding companies mainly invest in companies which have their registered office in Europe or conduct the majority of their business in Europe;

ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;

ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:

- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
- bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
- derivatives (including warrants) on the investments mentioned above;
- units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
- bank deposits.

c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- no more than 10% in total in other collective investments;
- securities lending: this sub-fund may not engage in securities lending.

#### **Y. UBS (CH) Institutional Fund – Equities Global Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:

aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide (with the exception of Switzerland) featured in the benchmark and those not featured in the benchmark but where there is a strong likelihood that, on the basis of performance, they will be included subsequent to the next modification of the benchmark;

ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.

ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products such as certificates from issuers worldwide on the investments set out above.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.

b) After deducting liquid assets, the fund management company can also invest a maximum of one-third of the sub-fund's assets in:

- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements stipulated in prov. 3 aa);
- bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law;
- money market instruments denominated in Swiss francs, issued by domestic and foreign borrowers;
- derivatives (including warrants) on the investments mentioned above;
- units of other collective investments in accordance with prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
- bank deposits.

c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- no more than 100% in total in other collective investments.

#### **Z. UBS (CH) Institutional Fund – Equities Global Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:

aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide (with the exception of Switzerland) featured in the benchmark and those not featured in the benchmark but where there is

- a strong likelihood that, on the basis of performance, they will be included subsequent to the next modification of the benchmark;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products such as certificates from issuers worldwide on the investments set out above.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) After deducting liquid assets, the fund management company can also invest a maximum of one-third of the sub-fund's assets in:
    - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements stipulated in prov. 3 aa);
    - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law;
    - money market instruments denominated in Swiss francs, issued by domestic and foreign borrowers;
    - derivatives (including warrants) on the investments mentioned above;
    - units of other collective investments in accordance with prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
    - bank deposits.
  - c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
    - no more than 100% in total in other collective investments;
    - securities lending: this sub-fund may not engage in securities lending.

**AA. UBS (CH) Institutional Fund – Equities Global Passive (CHF hedged) II**

- 3. a) This sub-fund is designed as a fund of funds. This means that, after deducting liquid assets, at least 49% and no more than 100% of the sub-fund's assets are invested in other collective investments. The fund management company shall invest at least two-thirds of the sub-fund's assets after deduction of liquid assets in:
  - aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide (with the exception of Switzerland) featured in the benchmark stipulated in the appendix as well as those not featured in the benchmark but where there is a strong likelihood of them being included in the benchmark when it is next adjusted; investments are hedged against the Swiss franc (CHF);
  - ab) units in other collective investments in accordance with prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this investment fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;

For investments in other collective investments pursuant to ab) above, the fund management company shall ensure that on a consolidated basis at least two-thirds of the sub-fund's assets are invested in the investments noted under aa) above.
- b) The fund management company may also invest a maximum of two-thirds of the sub-fund's assets after deduction of liquid assets in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that do not meet the requirements set out in prov. 3 aa);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers, which are traded via a stock exchange or other regulated market open to the public;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments within the meaning of prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - at least 49% and no more than 100% in other collective investments; the target fund must in general be able to guarantee the redemption frequency of the fund of funds. The target funds are also open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital. No funds of funds may be acquired;
  - foreign collective investments as defined in prov. 3 ab) above in accordance with prov. 1 c) and d), no more than 10% in each case;

- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers, which are traded via a stock exchange or other regulated market open to the public, no more than 10% in total;
- securities lending: this sub-fund may not engage in securities lending;
- repurchase agreements: this sub-fund may not engage in repurchase agreements.

**BB. UBS (CH) Institutional Fund – Equities Global (ex Switzerland) Quantitative**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that operate worldwide (excluding Switzerland), that as holding companies mainly invest in globally operating companies with their registered office worldwide (excluding Switzerland) or that have their principal business activity worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) that do not meet the requirements as set out in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% of fund assets may be invested in other collective investments.

**CC. UBS (CH) Institutional Fund – Equities Global Small Cap Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide which are included in the benchmark (appendix) as well as those not featured in the benchmark but where there is a strong likelihood of them being included in the benchmark when it is next adjusted;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law within Switzerland and abroad;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;

- units of other collective investments in accordance with prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
- bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**DD. UBS (CH) Institutional Fund – Equities International (ex Switzerland)**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide (with the exception of Switzerland) featured in the benchmark as well as those not featured in the benchmark but where there is a strong likelihood that, on the basis of return developments, they will be included subsequent to the next modification of the benchmark;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs such as certificates from issuers worldwide on the above investments;

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) After deducting liquid assets, the fund management company can also invest a maximum of one-third of the sub-fund's assets in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which, in terms of their registered office, do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law;
  - money market instruments denominated in Swiss francs, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) and d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 100% of fund assets may be invested in other collective investments.

**EE. UBS (CH) Institutional Fund – Equities Japan Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Japan, as holding companies mainly invest in companies which have their registered office in Japan or conduct the majority of their business in Japan;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);

- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**FF. UBS (CH) Institutional Fund – Equities Japan Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which either have their registered office in Japan, as holding companies mainly invest in companies which have their registered office in Japan or conduct the majority of their business in Japan;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**GG. UBS (CH) Institutional Fund – Equities Switzerland**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland or conduct the majority of their business in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);



- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**HH. UBS (CH) Institutional Fund – Equities Switzerland Passive All**

**II. UBS (CH) Institutional Fund – Equities Switzerland Passive Large**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland or conduct the majority of their business in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of these sub-funds or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**JJ. UBS (CH) Institutional Fund – Equities Switzerland Passive All II**

**KK. UBS (CH) Institutional Fund – Equities Switzerland Passive Large II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland or conduct the majority of their business in Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of these sub-funds or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);

- bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments;
  - for the sub-fund – **Equities Switzerland Passive All II**, the following applies: other collective investments, no more than 25% in total
  - securities lending: this sub-fund may not engage in securities lending.

**LL. Equities Switzerland Small & Mid Cap Passive II**

3. a) After deducting liquid assets, the fund management company shall invest at least 90% of the sub-fund's assets in:
- aa) equities and equity rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that either have their registered office in Switzerland, that, as holding companies, mainly invest in companies which have their registered office in Switzerland, or that have their principal business activity in Switzerland, which are contained in the benchmark index (appendix);
  - ab) units in other collective investments within the meaning of prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above.
- For investments in other collective investments pursuant to ab) above, the fund management company shall ensure that on a consolidated basis at least 80% of the sub-fund's assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may invest up to 20% of the sub-fund's assets, after deduction of liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) that do not meet the requirements set out in prov. 3 aa);
  - money market instruments issued by domestic and foreign borrowers in freely convertible currencies;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d), which do not meet the requirements in prov. 3 ab) and whose assets are invested principally in one of the aforementioned investments (prov. 3 b) item 1-3);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in other collective investments;
  - securities Lending: This sub-fund may not engage in securities lending;
  - repo transactions: the sub-fund may not engage in any repo transactions.

**MM. UBS (CH) Institutional Fund – Equities USA Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in the USA or, as holding companies, mainly invest in companies which have their registered office in the USA or conduct the majority of their business in the USA;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:

- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

**NN. UBS (CH) Institutional Fund – Equities USA Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which have their registered office in the USA or, as holding companies, mainly invest in companies which have their registered office in the USA or conduct the majority of their business in the USA;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**OO. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies with their registered office in a Pacific Rim country (Hong Kong, Australia, New Zealand, Singapore but not Japan) and are featured in the benchmark as well as those not featured in the benchmark but where there is a strong likelihood that, on the basis of performance, they will be included subsequent to the next modification of the benchmark;
  - ab) units of other collective investments in accordance with prov. 1 c) to d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products such as certificates from issuers worldwide on the investments set out above.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements as stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by domestic and foreign borrowers;
  - money market instruments denominated in Swiss francs (CHF), issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the fund following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 49% in total in other collective investments.

**PP. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive II**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies with their registered office in a Pacific Rim country (Hong Kong, Australia, New Zealand, Singapore but not Japan) and are featured in the benchmark as well as those not featured in the benchmark but where there is a strong likelihood that, on the basis of performance, they will be included subsequent to the next modification of the benchmark;
  - ab) units of other collective investments in accordance with prov. 1 c) to d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products such as certificates from issuers worldwide on the investments set out above.
 For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that do not meet the requirements set out in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by domestic and foreign borrowers;
  - money market instruments denominated in Swiss francs (CHF), issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the fund following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 49% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**QQ. UBS (CH) Institutional Fund – Euro Bonds Passive**

This sub-fund serves as a target fund for the sub-funds "Global Bonds Passive" and "Global Bonds Passive (hedged) CHF" (funds of funds). These two funds of funds may each acquire up to 100% of the units of this target fund in accordance with their risk diversification provisions (§ 15 B) prov. 10). Investors' attention is drawn to § 15 A) prov. 14.

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds denominated in euros, notes as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;

ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;

ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products denominated in euros such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:

- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
- convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
- equities and other equity paper and rights issued by companies worldwide;
- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
- derivatives (including warrants) on the investments mentioned above;
- units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
- bank deposits.

c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- no more than 25% in convertible bonds, convertible notes and warrant issues;
- no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
- no more than 10% in total in other collective investments.

#### **RR. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:

aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;

ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.

ac) derivatives (including warrants) on the investments mentioned above;

ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:

- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
- convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
- equities and other equity paper and rights issued by companies worldwide;
- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
- derivatives (including warrants) on the investments mentioned above;
- units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab).
- bank deposits

c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- no more than 25% in convertible bonds, convertible notes and warrant issues;
- no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
- no more than 10% in total in other collective investments.
- securities lending: this sub-fund may not engage in securities lending.

**SS. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive (CHF hedged) II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide as well in the foresaid investments are hedged against Swiss francs (CHF);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments and in those that are hedged against Swiss francs (CHF).
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab).
  - bank deposits
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 100% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**TT. UBS (CH) Institutional Fund – Global Allocation (USD)**

3. a) Subject to b) and after deducting liquid assets, the fund management company invests the assets of the sub-fund in:
- aa) bonds and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) worldwide;
  - ac) convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - ad) money market instruments denominated in freely convertible currencies issued by governments, other public-law entities or private borrowers (domestic and foreign issuers);
  - ae) stock-exchange-listed closed-end Swiss or non-Swiss real estate investment funds such as REITs (real estate investment trusts) and UCITS REITs or other comparable real estate management companies.
  - af) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ag) derivatives (including warrants) on the investments mentioned above;
  - ah) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments;
  - ai) derivatives and structured products on precious metals and commodities;
  - aj) bank deposits.
- For investments in other collective investments pursuant to af) above and in structured products pursuant to ah) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) and ab) above.
- b) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- debt paper and rights with a rating of between BBB- and C or equivalent of up to 20%;
  - debt paper and rights with a rating of between CCC and C or equivalent of up to 10%;
  - other collective investments up to 100%, whereby the following must be taken into account:

Investments in umbrella funds (investment funds whose fund contracts or articles of association permit investments of up to 49% to be made in other collective investments) are not permitted. The target funds must in general be able to guarantee the redemption frequency of the fund of funds. Moreover, the target funds must be approved as collective investments in the country of domicile, while investors must enjoy regulatory protection in that country equivalent to that in Switzerland and international official assistance must be guaranteed. The target funds are open-end collective investments, i.e. contractually based investment funds, as well as investment companies with variable capital, whether listed or not;

- investments as specified in prov. 3 ae) up to 20%.
- derivatives and structured products on precious metals and commodities up to 10%.

**UU. UBS (CH) Institutional Fund – Global Bonds 1**

**VV. UBS (CH) Institutional Fund – Global Bonds 2**

**WW. UBS (CH) Institutional Fund – Global Bonds 3**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of these sub-funds or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

**XX. UBS (CH) Institutional Fund – Global Bonds 4**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:

- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 20% in total in other collective investments.

**YY. UBS (CH Institutional Fund – Global Bonds Conservative Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - equities and other equity paper and rights issued by companies worldwide;
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 20% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**ZZ. UBS (CH) Institutional Fund – Global Bonds Fiscal Strength Passive (CHF hedged)**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide as well in the foresaid investments are hedged against Swiss francs (CHF);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments and in those, that are hedged against Swiss francs (CHF).



For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab).
  - bank deposits
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 49% in total in other collective investments.

#### **AAA. UBS (CH) Institutional Fund – Global Bonds Diversified**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - equities and other equity paper and rights issued by companies worldwide;
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 100% in total in other collective investments.

#### **BBB. UBS (CH) Institutional Fund – Global Bonds Passive**

As a fund of funds, this sub-fund's investment objective is to passively replicate the benchmark noted in the appendix by acquiring up to 100% of the units of the four target funds "– Euro Bonds Passive", "– JPY Bonds Passive", "– GBP Bonds Passive" and "– USD Bonds Passive" respectively. Investors' attention is drawn to § 15 A prov. 14 for details on the associated risks.

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:

- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
    - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
    - equities and other equity paper and rights issued by companies worldwide;
    - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
    - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
    - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
    - bank deposits.
  - c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
    - no more than 25% in convertible bonds, convertible notes and warrant issues;
    - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
    - no more than 100% in total in other collective investments.

### **CCC. UBS (CH) Institutional Fund – Global Bonds Passive (hedged CHF)**

As a fund of funds, this sub-fund's investment objective is to passively replicate the benchmark noted in the appendix by acquiring up to 100% of the units of the four target funds "– Euro Bonds Passive", "– JPY Bonds Passive", "– GBP Bonds Passive" and "– USD Bonds Passive" respectively. Investors' attention is drawn to § 15 A prov. 14 for details on the associated risks.

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs or other currencies such as certificates from issuers worldwide on the above investments that are hedged against Swiss francs (CHF).

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;

- no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
- no more than 100% in total in other collective investments.

**DDD. UBS (CH) Institutional Fund – Global Bonds Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Swiss francs or other currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments;
  - securities lending: this sub-fund may not engage in securities lending.

**EEE. UBS (CH) Institutional Fund – Global Corporate Bonds Passive (CHF hedged) II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Swiss francs (CHF) and other currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide as well in the foresaid investments are hedged against Swiss francs (CHF);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof.
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments and in those, that are hedged against Swiss francs (CHF).
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements as stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;

- units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab).
- bank deposits
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**FFF. UBS (CH) Institutional Fund – Equities Global Small Cap (ex Switzerland) II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide with the exception of Switzerland which are included in the benchmark (appendix);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

**GGG. UBS (CH) Institutional Fund – Global Equities (ex Switzerland)**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide except Switzerland;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);

- money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 10% in total in other collective investments.

#### **HHH. UBS (CH) Institutional Fund – Global Real Estate Securities Passive II**

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) securities in companies worldwide whose main activities involve buying, selling, developing, converting, using and managing land and property, or companies that own or manage land and property with a view to generating income and capital gains. These include listed closed real estate investment funds such as REITs (Real Estate Investment Trusts) and other comparable real estate management companies;
  - ab) units of other collective investments in accordance with prov. 1 e) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) worldwide which do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 30% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

#### **III. UBS (CH) Institutional Fund – JPY Bonds Passive**

This sub-fund serves as a target fund for the sub-funds "Global Bonds Passive" and "Global Bonds Passive (hedged) CHF" (funds of funds). These two funds of funds may each acquire up to 100% of the units of this target fund in accordance with their risk diversification provisions (§ 15 B) prov. 10). Investors' attention is drawn to § 15 A) prov. 14.

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in Japanese yen as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in Japanese yen such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.

- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

### **JJJ. UBS (CH) Institutional Fund – Small & Mid Cap Equities Switzerland**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) from companies which have their registered office in Switzerland and are featured in the benchmark (appendix);
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) which do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law (domestic and foreign issuers);
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 10% in total in other collective investments.

### **KKK. UBS (CH) Institutional Fund – Swiss Real Estate Selection II**

- 3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) securities in Swiss companies whose main activities involve buying, selling, developing, converting, using and managing land and property, or companies that own or manage land and property with a view to generating income and capital gains. These include listed closed real estate investment funds such as REITs (Real Estate Investment Trusts) and other comparable real estate management companies;
  - ab) units of other collective investments featured in the benchmark as well as those not featured in the benchmark but where there is a strong likelihood of them being included in the benchmark in the next six months;
  - ac) derivatives (including warrants) on the investments mentioned above;

- ad) structured products such as certificates from issuers worldwide on the investments set out above. For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund assets are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies which do not meet the requirements stipulated in prov. 3 aa);
  - bonds, convertible bonds, convertible notes, warrant issues and notes denominated in Swiss francs (CHF) as well as other fixed-income or floating-rate debt paper and rights issued by domestic and foreign borrowers;
  - money market instruments denominated in Swiss francs (CHF), issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units of other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in 3 ab)
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the fund following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 100% in total in other collective investments.
  - securities lending: this sub-fund may not engage in securities lending.

#### **LLL. UBS (CH) Institutional Fund – GBP Bonds Passive**

This sub-fund serves as a target fund for the sub-funds "Global Bonds Passive" and "Global Bonds Passive (hedged) CHF" (funds of funds). These two funds of funds may each acquire up to 100% of the units of this target fund in accordance with their risk diversification provisions (§ 15 B) prov. 10). Investors' attention is drawn to § 15 A) prov. 14.

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
- aa) bonds and notes denominated in pound sterling (GBP) as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
- ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
- ac) derivatives (including warrants) on the investments mentioned above;
- ad) structured products denominated in pound sterling (GBP) such as certificates from issuers worldwide on the above investments.
- For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
- debt paper and rights issued by domestic and foreign issuers who do not meet the requirements stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

#### **MMM.UBS (CH) Institutional Fund – USD Bonds Passive**

This sub-fund serves as a target fund for the sub-funds "Global Bonds Passive" and "Global Bonds Passive (hedged) CHF" (funds of funds). These two funds of funds may each acquire up to 100% of the units of

this target fund in accordance with their risk diversification provisions (§ 15 B) prov. 10). Investors' attention is drawn to § 15 A) prov. 14.

3. a) After deducting liquid assets, the fund management company invests at least two-thirds of the sub-fund's assets in:
  - aa) bonds denominated in US dollars, notes as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
  - ab) units of other collective investments as specified under prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in US dollars such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company ensures that on a consolidated basis at least two-thirds of the sub-fund are invested in the investments noted under aa) above.
- b) Subject to c), the fund management company may also invest up to one-third of the sub-fund's assets, after deducting liquid assets, in:
  - debt paper and rights issued by domestic and foreign issuers who do not meet the requirements stated in prov. 3 aa);
  - convertible bonds, convertible notes and warrant issues denominated in freely convertible currencies worldwide;
  - equities and other equity paper and rights issued by companies worldwide;
  - money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments in accordance with prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 25% in convertible bonds, convertible notes and warrant issues;
  - no more than 10% in total in equities, other equity paper and rights as well as derivatives (including warrants);
  - no more than 10% in total in other collective investments.

#### **NNN. UBS (CH) Institutional Fund – Equities Emerging Markets Small Cap Passive II**

3. a) After deducting liquid assets, the fund management company shall invest at least 90% of the sub-fund's assets in:
  - aa) Equities and equity rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) of companies that have their registered office in emerging markets or conduct the majority of their business in emerging markets, and that are included in the benchmark index, as well as those not featured in the benchmark but where there is a strong likelihood of them being included in the benchmark in the next six months;
  - ab) units in other collective investments within the meaning of prov. 1 c) and d) that according to their documentation invest their assets in accordance with the guidelines of this sub-fund or parts thereof;
  - ac) derivatives (including warrants) on the investments mentioned above;
  - ad) structured products denominated in freely convertible currencies such as certificates from issuers worldwide on the above investments.

For investments in other collective investments pursuant to ab) above and in structured products pursuant to ad) above, the fund management company shall ensure that on a consolidated basis at least 90% of the sub-fund's assets are invested in the investments specified under aa) above.
- b) Following the deduction of liquid assets, the fund management company may also invest up to 10% of the sub-fund's assets in:
  - equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies that do not meet the requirements set out in prov. 3 aa);
  - money market instruments issued by domestic and foreign borrowers in freely convertible currencies;
  - derivatives (including warrants) on the investments mentioned above;
  - units in other collective investments within the meaning of prov. 1 c) to d) that do not meet the requirements as stated in prov. 3 ab);
  - bank deposits.
- c) In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
  - no more than 20% in other collective investments.



- Securities Lending: This sub-fund can engage in securities lending.
- Repo transactions: The sub-fund may not engage in any repo transactions.

## **§ 9 Liquid assets**

For each sub-fund, the fund management company may also hold liquid assets in an appropriate amount in the sub-fund's accounting currency and in any other currency in which investments are permitted for that particular sub-fund. Liquid assets comprise bank deposits and claims from securities repurchase agreements at sight or on demand with maturities of up to twelve months.

## **B Investment techniques and instruments**

### **§ 10 Securities lending**

1. The fund management company may lend for the account of all sub-funds (with the exception of those sub-funds where securities lending is expressly prohibited pursuant to § 8 prov. 3 c)) all types of securities traded on a stock market or other type of regulated market open to the public. However, securities that have been taken over as part of a reverse repo transaction may not be lent.
2. The fund management company may lend the securities to a borrower in its own name and for its own account ("principal transaction") or may appoint an intermediary to make the securities available to a borrower either indirectly in a fiduciary capacity ("agent transaction") or directly ("finder transaction").
3. The fund management company shall enter into securities lending transactions only with first-class supervised borrowers and intermediaries specializing in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognized central counterparties and collective depositaries that can guarantee the proper execution of the securities lending transactions.
4. If the fund management company must observe a period of notice (which may not exceed 7 bank business days) before it may again legally repossess the securities lent, it may not lend more than 50% of a particular security eligible for lending for each sub-fund. If, however, the borrower or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities lent on the same or the next bank business day, the fund management company may lend its entire holdings of a particular type of security eligible for lending.
5. The fund management company shall conclude an agreement with the borrower or intermediary whereby the latter shall pledge or transfer collateral in order to secure the restitution of securities in favor of the fund management company in accordance with Art. 51 Collective Investment Schemes Ordinance issued by FINMA. The value of the collateral must be adequate and at all times be equal to at least 105% of the market value of the securities lent. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. On behalf of the fund management company, the furnished collateral may be held in safekeeping by a supervised third-party custodian provided ownership of the collateral is not transferred and the third-party custodian is independent from the counterparty.
6. The borrower or intermediary shall be responsible for ensuring the prompt, unconditional payment of any income accruing during the securities lending period, for enforcing other financial rights and for the return of securities of the same type, amount and quality such that the contractual terms are complied with.
7. The custodian bank shall ensure that the securities lending transactions are conducted in a secure manner and that the contractual terms are complied with and shall monitor compliance with the collateral requirements. For the duration of the lending transactions it shall also be responsible for the administrative duties assigned to it under the custody account regulations and for enforcing all rights pertaining to the securities lent, unless they have been assigned in line with the applicable framework agreement.

### **§ 11 Securities repurchase agreements**

1. The fund management company may enter into securities repurchase agreements ("repos") for the sub-funds' account. Securities repurchase agreements can be concluded as either repos or reverse repos. A repo is a legal transaction in which one party (lender) temporarily transfers ownership of securities in return for payment to another party (borrower); the borrower undertakes to reimburse securities of the same type, quantity and quality as well any income accrued throughout the course of the repurchase agreement to the lender upon maturity. The lender bears the price risk of the securities throughout the course of the repurchase agreement.

From the perspective of the counterparty ("borrower"), a repo is a reverse repo. Reverse repos are an instrument used by the fund management company to invest cash, whereby it buys securities and at the same time agrees to reimburse securities of the same type, amount and quality together with any income accrued in the course of the repurchase agreement.

2. The fund management company may conclude repo transactions with a counterparty in its own name and for its own account ("principal transaction") or may instruct an intermediary to conclude repo transactions with a counterparty either indirectly in a fiduciary capacity ("agent transaction") or directly ("finder transaction").
3. The fund management company shall enter into securities repurchase agreements only with first-class supervised counterparties and intermediaries specializing in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognized central counterparties and collective depositaries that can guarantee the proper execution of the securities repurchase agreements.
4. The custodian bank shall ensure that the securities repurchase transactions are conducted in a secure manner and the contractual terms are complied with. It shall ensure that fluctuations in the value of securities used in the repo transactions are compensated daily in cash or securities (mark-to-market). It is also responsible for the administrative duties assigned to it under the custody account regulations during the period in which repo transactions are carried out and for enforcing all rights pertaining to the securities used in the repo transactions unless they have been assigned in line with the applicable framework agreement.
5. The fund management company may use all types of securities which are listed on an exchange or are traded on another regulated market open to the public. However, securities that were taken over as part of a reverse repo transaction may not be used for repos.
6. If the fund management company must observe a period of notice (which may not exceed 7 bank business days) before it may again legally repossess the securities used in the repo transaction, it may not use for repos more than 50% of its holdings of a particular security eligible for repos for each sub-fund. However, if the counterparty or the intermediary provides the fund management company with a contractual assurance that the fund management company may legally repossess the securities lent on the same or the next bank business day, the fund management company may use its entire holdings of a particular security eligible for repo transactions.
7. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 13, unless the money received is used to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.
8. With regard to reverse repos, the fund management company may only acquire securities in accordance with Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. On behalf of the fund management company, the furnished collateral may be held in safekeeping by a supervised third-party custodian provided ownership of the collateral is not transferred and the third-party custodian is independent from the counterparty.
9. Claims arising from reverse repos are deemed to be liquid assets pursuant to § 9 and not loans pursuant to § 13.

## § 12 Derivatives

### A. Model approach according to the value-at-risk procedure ("VaR approach")

Section A is applicable to the following sub-funds:

- Global Allocation (USD)

1. The fund management company may use derivatives. It shall ensure that the economic effect of derivatives does not alter the investment objectives as stated in this fund contract or alter the investment profile of the sub-fund, even in exceptional market circumstances. In addition, the securities underlying the derivatives must be permitted investments under this fund contract.  
In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.
2. The model approach shall be used for the measurement of risk, in application of the value-at-risk procedure ("VaR approach"), and stress tests shall be carried out periodically (see prov. 5).

3. The fund management company may in particular use basic forms of derivatives such as call or put options where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference has the opposite sign, credit default swaps (CDSs), swaps with non-path dependent payoffs which have a linear dependence on the value of the underlying or an absolute value and futures and forwards whose value has a linear dependence on the underlying. The fund management company may also use combinations of basic forms of derivatives and derivatives whose effect cannot be equated with one of the basic forms or a combination of basic forms (exotic derivatives).
4. The fund management company shall put together a risk measurement model to assess the risks of the sub-funds on a value-at-risk basis. The value-at-risk shall be calculated daily using the positions from the previous day and subject to a one-way confidence interval of 99% and a holding period of 20 trading days. The effective historical observation period must be at least one year (250 bank business days). The fund management company keeps for each sub-fund a benchmark portfolio, which shows no leverage effect and in principle includes no derivatives, the composition of which is determined in particular in accordance with the investment objectives, the investment policy and the limits pursuant to the information in the fund contract, the prospectus and the key investor information documents of the corresponding sub-fund. The benchmark portfolio may contain derivatives if the sub-fund, in line with the fund contract or prospectus, implements a long/short strategy and the short exposure in the benchmark portfolio is represented by derivatives or if the sub-fund, in line with the fund contract or prospectus, implements an investment policy with currency hedging and a currency-hedged benchmark portfolio is used. The VaR of a sub-fund fund may not at any time exceed twice the VaR of the benchmark portfolio (relative VaR limit). The fund management company periodically (at least monthly) simulates extraordinary market conditions (stress tests). In addition, stress tests must be conducted if a major change in the results of the stress tests due to a change in the value or the composition of the assets of a sub-fund or a change in market conditions cannot be ruled out.
5. The fund management company may use both standardized and non-standardized derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.
6.
  - a) The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision which specialize in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the former or the guarantor must have a high credit rating.
  - b) An OTC derivative must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.
  - c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time based on the market value of the underlyings, using appropriate valuation models that are recognized in practice. Before the conclusion of a contract for such a derivative, specific offers must in general be obtained from at least two counterparties and the contract must be concluded with the counterparty offering the best price. Deviations from this rule shall be permitted in order to diversify risk or if other contractual components, such as credit quality or the service offering of the counterparty, make the overall offer of the counterparty appear more advantageous for the investor. In addition, the requirement to obtain offers from at least two potential counterparties may be waived in exceptional cases if this is in the best interests of the investors. The reasons for this as well as the conclusion of the contract and setting of the prices must be clearly documented.
  - d) In the context of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements under Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. On behalf of the fund management company, the furnished collateral may be held in safekeeping by a supervised third-party custodian provided ownership of the collateral is not transferred and the third-party custodian is independent from the counterparty.
7. Due account must be taken of the derivatives in accordance with the legislation concerning collective investments when complying with statutory and contractual investment restrictions (maximum and minimum limits).

8. The appendix contains further details on:
  - the implications of derivatives within the investment strategy;
  - the effect of using derivatives on the sub-fund's risk profile;
  - the counterparty risks associated with derivatives;
  - the higher volatility arising from the use of derivatives and the increased total investment (leverage);
  - credit derivatives.

## **B. Commitment approach II**

Section B is applicable to the following sub-funds:

- Bonds CHF Ausland
- Bonds CHF Ausland Medium Term
- Bonds CHF Inland
- Bonds CHF Inland Medium Term
- Bonds CHF Prime Inland
- Bonds CHF Prime Ausland
- Equities Emerging Markets Asia
- Equities Emerging Markets Global
- Equities Emerging Markets Global Passive II
- Equities Europe (ex Switzerland)
- Equities Global (ex Switzerland) Quantitative
- Equities International (ex Switzerland)
- Equities Switzerland
- Euro Bonds Passive
- Global Bonds 1
- Global Bonds 2
- Global Bonds 3
- Global Bonds 4
- Global Bonds Diversified
- Global Equities (ex Switzerland)
- Equities Global Small Cap (ex Switzerland) II
- Small & Mid Cap Equities Switzerland
- Swiss Real Estate Selection II

1. The fund management company may use derivatives. It shall ensure that the effect of such derivative financial instruments does not alter the investment objectives or investment profile as stated in the present fund contract and in the appendix, even in exceptional market circumstances. In addition, the securities underlying the derivatives must be permitted investments under this fund contract.  
In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.
2. Commitment approach II shall be used for the measurement of risk. The aggregate derivatives-related investments of this sub-fund may not exceed 100% of its net assets and the total investments may not exceed 200% of its net assets. Given the possibility of borrowing not exceeding 25% of the sub-fund's net assets, as described in § 13 prov. 2, the sub-fund's total investments may amount to a maximum of 225% of its net assets. The total investments shall be calculated pursuant to Art. 35 CISO-FINMA.  
The provisions stipulated in this paragraph shall apply to the individual sub-funds.
3. The fund management company may in particular use basic forms of derivatives such as call or put options where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference has the opposite sign (+ or –), credit default swaps (CDSs), swaps with non-path dependent payoffs which have a linear dependence on the value of the underlying or an absolute value and futures and forwards whose value has a linear dependence on the underlying. The fund management company may also use combinations of basic forms of derivatives and derivatives whose effect cannot be equated with one of the basic forms or a combination of basic forms (exotic derivatives).
4.
  - a) Offsetting transactions in derivatives with the same underlying and in investments in this security may be netted, irrespective of the expiry of the derivatives ("netting") if the derivatives transaction was concluded solely for the purpose of eliminating the risks associated with the derivatives or investments acquired. The main risks may not be disregarded and the eligible amount of the derivatives pursuant to Art. 35 CISO-FINMA must be calculated.
  - b) If the derivatives in hedging transactions do not relate to the same underlying as the asset to be hedged, in addition to the rules under a), the requirement that the derivative transactions may not be based on an investment strategy that serves the purpose of the appropriation of income must also be fulfilled. The derivative must also lead to a proven reduction in the risk, the risks associated with the derivative must be offset, the derivatives, underlying instruments or assets to be offset must relate to the same category of financial instruments and the hedging policy must also be effective even under extraordinary market conditions.

- c) If mainly interest rate derivatives are used, the amount of the total investment to be offset by derivative positions can be calculated using internationally recognized duration netting rules, provided the rules lead to the correct determination of the investment fund's risk profile, the main risks are taken into consideration, the application of these rules does not lead to an unjustified leverage effect, no interest arbitration strategies are pursued and the leverage effect of the fund is increased neither by the application of these rules nor by investments in short-term positions.
  - d) Derivatives that are used purely to hedge foreign currency risks and do not lead to a leverage effect or involve additional market risks can be offset without the requirements under b) in the calculation of the total derivatives exposure.
  - e) Payment obligations arising from derivatives must be covered at all times with cash or cash equivalents, debt securities and rights, or equities, which are traded on a stock exchange or other regulated market open to the public in accordance with the legislation concerning collective investment schemes.
  - f) If the fund management company enters into physical delivery obligations relating to an underlying instrument arising from derivatives, they must be covered by equivalent underlyings, or by other investments, if the investments and underlyings are highly liquid and may be bought or sold at any time if delivery is required. The fund management company must have unrestricted access to these underlying securities or assets at all times.
5. The fund management company may use both standardized and non-standardized derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.
6. a) The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision which specialize in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the former or the guarantor must have a high credit rating.
- b) An OTC derivative must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.
- c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time based on the market value of the underlyings, using appropriate valuation models that are recognized in practice. Before the conclusion of a contract for such a derivative, specific offers must in general be obtained from at least two counterparties and the contract must be concluded with the counterparty offering the best price. Deviations from this rule shall be permitted in order to diversify risk or if other contractual components, such as credit quality or the service offering of the counterparty, make the overall offer of the counterparty appear more advantageous for the investor. In addition, the requirement to obtain offers from at least two potential counterparties may be waived in exceptional cases if this is in the best interests of the investors. The reasons for this as well as the conclusion of the contract and setting of the prices must be clearly documented.
- d) In the context of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements under Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. On behalf of the fund management company, the furnished collateral may be held in safekeeping by a supervised third-party custodian provided ownership of the collateral is not transferred and the third-party custodian is independent from the counterparty.
7. Due account must be taken of derivatives in accordance with the legislation concerning collective investment schemes when complying with statutory and contractual investment restrictions (maximum and minimum limits).

### **C. Commitment approach I**

Section C is applied for the following sub-funds:

- Bonds CHF Ausland Passive
- Bonds CHF Ausland Corporate Passive II
- Bonds CHF Ausland Passive II
- Bonds CHF Ausland Medium Term Passive
- Bonds CHF Inland Passive
- Bonds CHF Inland Corporate Passive II
- Bonds CHF Inland Passive II

- Bonds CHF Inland Medium Term Passive
  - Bonds USD Inflation-linked Passive II
  - Equities Canada Passive
  - Equities Canada Passive II
  - Equities Emerging Markets Global Minimum Volatility II
  - Equities Europe Passive
  - Equities Europe Passive II
  - Equities Global Passive
  - Equities Global Passive II
  - Equities Global Passive (CHF hedged) II
  - Equities Global Small Cap Passive II
  - Equities Japan Passive
  - Equities Japan Passive II
  - Equities Switzerland Passive All
  - Equities Switzerland Passive All II
  - Equities Switzerland Passive Large
  - Equities Switzerland Passive Large II
  - Equities Switzerland Small & Mid Cap Passive II
  - Equities USA Passive
  - Equities USA Passive II
  - Equities Pacific (ex Japan) Passive
  - Equities Pacific (ex Japan) Passive
  - Global Aggregate Bonds Passive II
  - Global Aggregate Bonds Passive (CHF hedged) II
  - Global Bonds Passive
  - Global Bonds Passive (hedged CHF)
  - Global Bonds Conservative Passive II
  - Global Bonds Fiscal Strength Passive (CHF hedged)
  - Global Bonds Passive II
  - Global Corporate Bonds Passive (CHF hedged) II
  - Global Real Estate Securities Passive II
  - JPY Bonds Passive
  - GBP Bonds Passive
  - USD Bonds Passive
  - Equities Emerging Markets Small Cap Passive II
1. The fund management company may use derivatives. It shall ensure that the effect of such derivative financial instruments does not alter the investment objectives or investment profile as stated in the present fund contract and in the appendix, even in exceptional market circumstances. In addition, the securities underlying the derivatives must be permitted investments under this fund contract for the relevant sub-fund.  
In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.
  2. Commitment approach I is used for the measurement of risk. Taking into account the necessary cover given below this paragraph, the use of derivatives does not exert a leverage effect on the sub-fund assets or amount to short selling.  
The provisions stipulated in this paragraph shall apply to the individual sub-funds.
  3. Only basic forms of derivatives may be used. These include:
    - a) call or put options, where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite sign;
    - b) credit default swaps (CDSs);
    - c) swaps with non-path-dependent payoffs which have a linear dependence on the value of the underlying or an absolute value;
    - d) futures and forwards whose value has a linear dependence on the value of the underlying.
  4. The economic impact of using derivatives is similar to either a sale (derivatives that reduce exposure) or a purchase (derivatives that increase exposure) of an underlying security.
  5.
    - a) In the case of derivatives that reduce exposure, the commitments entered into shall be covered by the securities underlying the derivatives at all times subject to b) and d).
    - b) In the case of derivatives that reduce exposure, assets other than the underlying securities may be used for cover if they are in the name of an index which
      - is calculated by an independent external body;
      - is representative of the investments used as cover;
      - is correlated sufficiently with these assets.
    - c) The fund management company must have unrestricted access to these underlying securities or assets at all times.

- d) A delta weighting may be used for an exposure-reducing derivative to calculate the relevant underlying securities.
- 6. For exposure-increasing derivatives, the underlying equivalent of a derivative position shall be covered at all times by cash equivalents in accordance with Art. 34 prov. 5 CISO-FINMA. The underlying equivalent shall be calculated for futures, options, swaps and forwards in accordance with appendix 1 of CISO-FINMA.
- 7. The fund management company shall comply with the following rules when netting derivatives positions:
  - a) Offsetting transactions in derivatives of the same underlying and in investments in this security may be netted, irrespective of the expiry of the derivatives ("netting") if the derivatives transaction was concluded solely for the purpose of eliminating the risks associated with the derivatives or investments acquired. The main risks may not be disregarded and the eligible amount of the derivatives pursuant to Art. 35 CISO-FINMA must be calculated.
  - b) If the derivatives in hedging transactions do not relate to the same underlying as the asset to be hedged, in addition to the rules under a), the requirement that the derivative transactions may not be based on an investment strategy that serves the purpose of the appropriation of income must also be fulfilled. The derivative must also lead to a proven reduction in the risk, the risks associated with the derivative must be offset, the derivatives, underlying instruments or assets to be offset must relate to the same category of financial instruments and the hedging policy must also be effective even under extraordinary market conditions.
  - c) Derivatives that are used purely to hedge foreign currency risks and do not lead to a leverage effect or involve additional market risks can be offset without the requirements under b) in the calculation of the total derivatives exposure.
  - d) Hedging transactions may be covered by interest rate derivatives. Convertible bonds may be excluded from the calculation of derivatives exposure.
- 8. The fund management company may use both standardized and non-standardized derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.
- 9.
  - a) The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision which specialize in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the former or the guarantor must have a high credit rating.
  - b) An OTC derivative must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.
  - c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time based on the market value of the underlyings, using appropriate valuation models that are recognized in practice. Before the conclusion of a contract for such a derivative, specific offers must in general be obtained from at least two counterparties and the contract must be concluded with the counterparty offering the best price. Deviations from this rule shall be permitted in order to diversify risk or if other contractual components, such as credit quality or the service offering of the counterparty, make the overall offer of the counterparty appear more advantageous for the investor. In addition, the requirement to obtain offers from at least two potential counterparties may be waived in exceptional cases if this is in the best interests of the investors. The reasons for this as well as the conclusion of the contract and setting of the prices must be clearly documented.
  - d) In the context of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements under Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the fund management company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. On behalf of the fund management company, the furnished collateral may be held in safekeeping by a supervised third-party custodian provided ownership of the collateral is not transferred and the third-party custodian is independent from the counterparty.
- 10. Due account must be taken of derivatives in accordance with the legislation concerning collective investment schemes when complying with statutory and contractual investment restrictions (maximum and minimum limits).

### **§ 13 Borrowing and lending**

1. The fund management company may not grant loans for the account of the sub-funds. Securities lending transactions pursuant to § 10 and repurchase agreements as reverse repos in accordance with § 11 are not deemed loans for the purposes of this paragraph.
2. For each sub-fund, the fund management company may temporarily borrow the equivalent of up to 25% of net assets. Repurchase agreements as repos according to § 11 are deemed to be borrowing for the purposes of this paragraph, unless the money received is used as part of an arbitrage transaction to acquire securities of the same type, quality, rating and maturity in conjunction with the conclusion of a reverse repo.

### **§ 14 Encumbrance of the sub-funds' assets**

1. The fund management company may not pledge or transfer by way of security more than 50% of the net assets of any sub-fund.
2. The sub-fund assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this paragraph.

## **C Investment restrictions**

### **§ 15 Risk diversification**

- A.**
- UBS (CH) Institutional Fund – Bonds CHF Ausland
  - UBS (CH) Institutional Fund – Bonds CHF Ausland Corporate Passive II
  - UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term
  - UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term Passive
  - UBS (CH) Institutional Fund – Bonds CHF Ausland Passive
  - UBS (CH) Institutional Fund – Bonds CHF Ausland Passive II
  - UBS (CH) Institutional Fund – Bonds CHF Inland
  - UBS (CH) Institutional Fund – Bonds CHF Inland Corporate Passive II
  - UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term
  - UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term Passive
  - UBS (CH) Institutional Fund – Bonds CHF Inland Passive
  - UBS (CH) Institutional Fund – Bonds CHF Inland Passive II
  - UBS (CH) Institutional Fund – Bonds CHF Prime Inland
  - UBS (CH) Institutional Fund – Bonds CHF Prime Ausland
  - UBS (CH) Institutional Fund – Bonds USD Inflation-linked Passive II
  - UBS (CH) Institutional Fund – Euro Bonds Passive
  - UBS (CH) Institutional Fund – Global Aggregate Bonds Passive II
  - UBS (CH) Institutional Fund – Global Aggregate Bonds Passive (CHF hedged) II
  - UBS (CH) Institutional Fund – Global Bonds 1
  - UBS (CH) Institutional Fund – Global Bonds 2
  - UBS (CH) Institutional Fund – Global Bonds 3
  - UBS (CH) Institutional Fund – Global Bonds Conservative Passive II
  - UBS (CH) Institutional Fund – Global Bonds Fiscal Strength Passive (CHF hedged)
  - UBS (CH) Institutional Fund – Global Bonds Diversified
  - UBS (CH) Institutional Fund – Global Bonds Passive II
  - UBS (CH) Institutional Fund – Global Corporate Bonds Passive (CHF hedged) II
  - UBS (CH) Institutional Fund – JPY Bonds Passive
  - UBS (CH) Institutional Fund – GBP Bonds Passive
  - UBS (CH) Institutional Fund – USD Bonds Passive

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 10% of a sub-fund's assets are invested may not exceed 60% of the respective sub-fund's assets. subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland



- or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
  7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
  8. The fund management company may invest up to 10% of a sub-fund's assets in units of the same target fund. The following applies for the sub-fund – Global Aggregate Bonds Passive (CHF hedged) II: Up to 100% of the assets of this sub-fund can be invested in the target fund – Global Aggregate Bonds Passive II. The target fund may not result in an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of the investment and fees (X tranche method). A limit of 25% applies for the sub-fund – Global Bonds Fiscal Strength Passive (CHF hedged). A limit of 49% applies for the sub-fund – Global Bonds Diversified. The two target funds in which the sub-fund – Global Bonds Diversified may invest up to 49% of its assets are UBS (CH) Institutional Fund – Global Bonds Conservative Passive II and UBS (Lux) Bonds SICAV – Short Term EUR Corporates. Up to 49% of the assets of the sub-fund Global Bonds Diversified may either be invested in UBS (CH) Institutional Fund – Global Bonds Conservative Passive II or in UBS (Lux) Bonds SICAV – Short Term EUR Corporates. The target funds may not entail any cumulative fees and must provide the fund management company with complete transparency as regards the investments and fees. The following also applies for the sub-fund – Global Bonds Diversified: the sub-fund invests in a total of at least four target funds. The fund management company may invest up to 25% of the sub-fund's assets in units of the same target fund (exception: see the aforementioned limit of 49%). Otherwise, the other risk diversification provisions as per § 15 shall be fully adhered to.
  9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
  10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments. These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
  11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.
  12. The limit of 20% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed by an OECD state, by a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 3 and 5, however, may not be accumulated with the existing limit of 35%.  
For the sub-funds **"– Bonds CHF Inland", "– Bonds CHF Inland Passive", "– Bonds Inland Passive II", "– Bonds CHF Inland Medium Term", "– Bonds CHF Inland Medium Term Passive" and "– Bonds CHF Prime Inland"**, the following applies in addition:  
The limit of 20% stipulated in prov. 3 rises to 35% if the securities are issued or guaranteed by Pfandbriefbank schweizerischer Hypothekarinstitute AG or Pfandbriefzentrale der schweizerischen Kantonalbanken AG Up to 30% of the assets of the sub-fund may be invested in instruments of a single issuer. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities. The individual limits of prov. 3 and 5 may, however, not be accumulated with this limit of 35%
  13. The limit of 20% stipulated in prov. 3 rises to 100% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. In this case, the sub-fund in question must hold securities or money market instruments consisting of at least six different issues, and no more than 30% of a sub-fund's assets may be invested in securities or money market instruments of the same issue. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments.  
The permitted issuers/guarantors above are: the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).
  14. The following also applies for the four sub-funds **"– Euro Bonds Passive", "– JPY Bonds Passive", "– GBP Bonds Passive" and "– USD Bonds Passive"**:  
The four sub-funds serve as target funds for the sub-funds **"– Global Bonds Passive" and "– Global Bonds Passive (hedged CHF)"** (funds of funds): These two funds of funds may each acquire up to 100% of the units of these target funds in accordance with their risk diversification provisions (§ 15 B) prov. 10 below). If

an application is made by one or both of the funds of funds for the redemption of a substantial portion of the assets relative to the assets of the target fund, the fund management company is required to check whether this redemption may be carried out with no detrimental impact on the remaining investors. Only then may it approve the redemption by the fund(s) of funds. If the redemption cannot be carried out without any detrimental impact, it will not be approved. The redemption by the target fund will be suspended immediately and the affected target fund will be dissolved without notice (see § 25). The redemption will then be paid to the fund(s) of funds as part of the dissolution process.

The following also applies for the sub-fund "**– Global Bonds Passive II**":

The sub-fund serves as the target fund for the sub-fund "**– Global Aggregate Bonds Passive (CHF hedged) II**" (fund of funds): This fund of funds may, in accordance with its risk diversification provisions (§ 15 A, prov. 8), invest up to 100% of its assets in the target fund. If an application is made by the fund of funds for the redemption of a substantial portion of the assets relative to the assets of the target fund, the fund management company is required to check whether this redemption may be carried out with no detrimental impact on the remaining investors. Only then may it approve the redemption by the fund of funds. If the redemption cannot be carried out without any detrimental impact, it will not be approved. The redemption by the target fund will be suspended immediately and the affected target fund will be dissolved without notice (see § 25). The redemption will then be paid to the fund of funds as part of the dissolution process.

**B. UBS (CH) Institutional Fund – Global Bonds Passive**  
**UBS (CH) Institutional Fund – Global Bonds Passive (hedged CHF)**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 10% of a sub-fund's assets are invested may not exceed 60% of the respective sub-fund's assets. subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
8. The fund management company may invest up to 60% of a sub-fund's assets in units of the same target fund. Furthermore, the target funds may not result in an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees (X tranche method).
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments. The fund management company may acquire up to 100% of the units of the sub-funds "**– Euro Bonds Passive**", "**– JPY Bonds Passive**", "**– GBP Bonds Passive**" and "**– USD Bonds Passive**" for the assets of a sub-fund. These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

12. The limit of 20% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed by an OECD state, by a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 3 and 5, however, may not be accumulated with the existing limit of 35%.
13. The limit of 20% stipulated in prov. 3 rises to 100% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. In this case, the sub-fund in question must hold securities or money market instruments consisting of at least six different issues, and no more than 30% of a sub-fund's assets may be invested in securities or money market instruments of the same issue. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments.  
The permitted issuers/guarantors above are: the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

**C. UBS (CH) Institutional Fund – Equities Emerging Markets Asia**  
**UBS (CH) Institutional Fund – Equities Emerging Markets Global**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of a sub-fund's assets are invested may not exceed 60% of the respective sub-fund's assets, subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets.
8. The fund management company may invest up to 10% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management, subject to any exemptions granted by the supervisory authority.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments. These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

**D. UBS (CH) Institutional Fund – Equities Canada Passive**  
**UBS (CH) Institutional Fund – Equities Canada Passive II**  
**UBS (CH) Institutional Fund – Equities Emerging Markets Small Cap Passive II**  
**UBS (CH) Institutional Fund – Equities Emerging Markets Global Minimum Volatility II**  
**UBS (CH) Institutional Fund – Equities Europe Passive**  
**UBS (CH) Institutional Fund – Equities Europe Passive II**  
**UBS (CH) Institutional Fund – Equities Global Small Cap Passive II**

**UBS (CH) Institutional Fund – Equities Japan Passive**  
**UBS (CH) Institutional Fund – Equities Japan Passive II**  
**UBS (CH) Institutional Fund – Equities Switzerland Passive All**  
**UBS (CH) Institutional Fund – Equities Switzerland Passive Large**  
**UBS (CH) Institutional Fund – Equities Switzerland Passive All II**  
**UBS (CH) Institutional Fund – Equities Switzerland Passive Large II**  
**UBS (CH) Institutional Fund – Equities Global Small Cap Passive II**  
**UBS (CH) Institutional Fund – Equities USA Passive**  
**UBS (CH) Institutional Fund – Equities USA Passive II**  
**UBS (CH) Institutional Fund – Equities Japan Passive**  
**UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive II**  
**UBS (CH) Institutional Fund – Equities Emerging Markets Small Cap Passive II**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The following limits apply in respect of issuers:
  - a) up to 5% of the assets of a sub-fund may be invested in instruments from any one issuer, regardless of whether it features in the benchmark listed in the Appendix or not.
  - b) The fund management company may exceed the limit stipulated under a) for issuers included in the benchmark index as well as those not featured in the benchmark but where there is a strong likelihood of them being included in the benchmark when it is next adjusted.  
 In such an event the share of the total value of the instruments from the single issuer in relation to the assets of the sub-fund may not exceed 150% of its respective index weighting, with the overweighting subject to a maximum limit of 3 percentage points.  
 For issuers that have been removed from the benchmark, the share in a sub-fund's assets may not exceed the total value of assets from the same issuer, up to the last published index weighting +1 percentage point, up to a maximum of six months after their removal.
  - c) Investments must be spread over at least 12 issuers.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of the assets of a sub-fund, with the exception of the four sub-funds listed here: For the sub-funds **"– Equities Switzerland Passive All", "– Equities Switzerland Passive Large", "– Equities Switzerland Passive All II" and "– Equities Switzerland Passive Large II"**, a limit of 35% applies.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of the sub-fund's assets, with the exception of the four sub-funds mentioned below. For the sub-funds **"– Equities Switzerland Passive All", "– Equities Switzerland Passive Large", "– Equities Switzerland Passive All II" and "– Equities Switzerland Passive Large II"** a limit of 35% applies.
8. The fund management company may invest up to 10% of the assets of a sub-fund in units of the same target fund, with the exception of the sub-funds **"– Equities Pacific (ex Japan) Passive" and "– Equities Emerging Markets Small Cap Passive II"**, which are permitted to invest up to 20% of the sub-fund's assets, and the sub-fund **"– Equities Switzerland Passive All II"**, which is permitted to invest up to 25% of the sub-fund's assets, in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management, subject to any exemptions granted by the supervisory authority.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.  
 These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

- E. UBS (CH) Institutional Fund – Equities Global Passive**  
**UBS (CH) Institutional Fund – Equities Global Passive II**  
**UBS (CH) Institutional Fund – Equities Global Passive (CHF hedged) II**  
**UBS (CH) Institutional Fund – Equities International (ex Switzerland)**
1. The following are to be included in the risk diversification provisions pursuant to § 15:
    - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
    - b) liquid assets pursuant to § 9;
    - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
  2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
  3. The fund management company may invest no more than 10% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of a sub-fund's assets are invested may not exceed 40% of the respective sub-fund's assets, subject to prov. 4 and 5.
  4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
  5. The fund management company may not invest more than 10% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 15% of the sub-fund's assets.
  6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 40% of a sub-fund's assets.  
 The following applies for the sub-funds **"– Equities Global Passive II"** and **"– Equities Global Passive (CHF hedged) II"**. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets,
  7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets.
  8. The fund management company may invest up to 100% of the sub-fund in a single other investment fund (target fund) on an ongoing basis. For the sub-funds **"– Equities Global Passive"**, **"– Equities Global Passive II"** und **"– Equities Global Passive (CHF hedged) II"**, the target funds may not result in an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees (X tranche method).  
 The following applies to the sub-funds **"– Equities Global Passive II"** and **"– Equities Global Passive (CHF hedged) II"**: Pursuant to § 8 Y) prov. 3 / § 8 Z.) prov. 3, the fund management company may invest up to 100% of the assets of the respective sub-fund in other collective capital investments; the fund management company hereby invests in regional target funds, whereby one target fund can be used per region; as a consequence, the weighting per target fund (measured against the assets of the respective sub-fund) may be equivalent to the weighting of the respective region of the respective benchmark named in the appendix, whereby the regional target fund weighting may be exceeded by not more than 3% in comparison to the respective benchmark.
    - The sub-fund may invest up to 80% of the respective sub-fund's assets in a single other investment fund (target fund) on an ongoing basis.
    - The fund management company shall invest in at least four different collective investments.
  9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
  10. The fund management company may acquire for the assets of a sub-fund up to 10% of the non-voting equity, debt and/or money market paper of a single issuer and up to 25% of the units of other collective investments; for the sub-funds **"– Equities Global Passive"** and **"– Equities International (ex Switzerland)"**, investments in associated investment funds may amount to up to 100% provided the target fund levies neither an issuing or redemption commission.  
 These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
  11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

**F. UBS (CH) Institutional Fund – Equities Switzerland**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The following limits apply in respect of issuers:
  - a) up to 5% of the assets of a sub-fund may be invested in instruments of a single issuer.
  - b) Notwithstanding a), when acquiring securities of an issuer included in the benchmark index, the fund management company may hold an overweight of up to 5 percentage points or 125% of the issuer's percentage weighting in the benchmark index.
  - c) Investments must be spread over at least 12 issuers.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 30% of a sub-fund's assets, with priority given to prov. 3.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 30% of a sub-fund's assets.
8. The fund management company may invest up to 10% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.

These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

**G. UBS (CH) Institutional Fund – Global Bonds 4**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 10% of a sub-fund's assets are invested together with money market instruments may not exceed 60% of the respective sub-fund's assets, subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.

6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets, Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
8. The fund management company may invest up to 20% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.  
These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.
12. The limit of 20% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed by an OECD state, by a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 3 and 5, however, may not be accumulated with the existing limit of 35%.
13. The limit of 20% stipulated in prov. 3 rises to 100% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. In this case, the respective sub-fund must hold securities consisting of at least six different issues, and no more than 30% of the sub-fund may be invested in securities or money market instruments of the same issue. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments.  
The permitted issuers/guarantors above are: the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

**H. UBS (CH) Institutional Fund – Equities Europe (ex Switzerland)**  
**UBS (CH) Institutional Fund – Equities Global (ex Switzerland) Quantitative**  
**UBS (CH) Institutional Fund – Global Equities (ex Switzerland)**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 10% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of a sub-fund's assets are invested may not exceed 40% of the respective sub-fund's assets, subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets,
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets.

8. The fund management company may invest up to 10% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.  
These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.

**I. UBS (CH) Institutional Fund – Swiss Real Estate Selection II**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 10% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of a sub-fund's assets are invested may not exceed 40% of the respective sub-fund's assets, subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets,
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets.
8. The fund management company may invest up to 30% of the assets of Swiss Real Estate Selection II in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.  
These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.

**J. UBS (CH) Institutional Fund – Global Real Estate Securities Passive**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3.
  - a) The fund management company may invest no more than 10% of the sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products.
  - b) The fund management company may exceed the limit stipulated under a for issuers included in the benchmark index. In such cases the weighting of the assets of the same issuer should as far as possible be kept equivalent to the weighting in the reference index; any overweighting may not exceed 1 percentage point.
  - c) Investments must be spread over at least 12 issuers.



4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and deposits held with banks pursuant to § 8.
5. The fund management company may not invest more than 5% of the sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to the above prov. 3 to 5 of the same issuer or borrower may not exceed 30% of the sub-fund's assets.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 30% of the sub-fund's assets.
8. The fund management company may invest up to 20% of the sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments. These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

**K. UBS (CH) Institutional Fund – Global Allocation (USD)**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 10% of a sub-fund's assets are invested may not exceed 60% of the respective sub-fund's assets. subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets, such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 and 13 below.
8. The fund management company may invest up to 30% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 49% of the units of other collective investments. These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international

organizations with public-law character to which Switzerland or a member state of the European Union belongs.

12. The limit of 20% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed by an OECD state, by a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 40% as stipulated in prov. 3 does not apply to the securities mentioned above. The individual limits of prov. 3 and 5, however, may not be accumulated with the existing limit of 35%.
13. The limit of 20% stipulated in prov. 3 rises to 100% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. In this case, the sub-fund must hold securities or money market instruments consisting of at least six different issues, and no more than 30% of the relevant sub-fund's assets may be invested in securities of the same issue. The limit of 60% as stipulated in prov. 3 does not apply to the aforementioned securities. The permitted issuers/guarantors above are: the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

**L. UBS (CH) Institutional Fund – Equities Global Small Cap (ex Switzerland) II**  
**UBS (CH) Institutional Fund – Small & Mid Cap Equities Switzerland**

1. The following are to be included in the risk diversification provisions pursuant to § 15:
  - a) investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
  - b) liquid assets pursuant to § 9;
  - c) claims against counterparties arising from OTC transactions, unless these claims are hedged by collateral in the form of liquid assets in accordance with Art. 12 of the Liquidity Ordinance.
2. Companies that make up a group according to international accounting standards are viewed as a single issuer.
3. The fund management company may invest no more than 20% of a sub-fund's assets in securities or money market instruments issued by one and the same issuer, including derivatives and structured products. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of a sub-fund's assets are invested may not exceed 60% of the respective sub-fund's assets, subject to provisions 4 and 5.
4. The fund management company may not invest more than 20% of a sub-fund's assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and investments in bank assets pursuant to § 8.
5. The fund management company may not invest more than 5% of a sub-fund's assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-fund's assets.
6. Investments, deposits and claims pursuant to prov. 3 to 5 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets,
7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of a sub-fund's assets.
8. The fund management company may invest up to 10% of a sub-fund's assets in units of the same target fund.
9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.
10. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.  
 These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.
11. The restrictions stipulated in prov. 9 and 10 shall not apply if the securities and money market instruments are issued or guaranteed by a state or a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs.

**M. Provisions for all sub-funds**

No funds of funds may be acquired.

#### IV. Calculation of net asset values and issue and redemption of units

##### § 16 Calculation of net asset values and application of swinging single pricing

1. The net asset value of the sub-funds specified in § 17, prov. 2 b) and the proportion of assets in the individual classes, and the net asset value for valuation purposes of the sub-funds specified in § 17, prov. 2 a) and the proportion of assets in the individual classes are calculated in the currency of the sub-fund in question at market value at the end of the financial year and for each day on which units are issued or redeemed. The individual sub-funds are not calculated on days when the stock exchanges or markets in the sub-fund's main investment countries are closed (e.g. bank and stock exchange holidays).  
However, on days on which no units are issued or redeemed, the fund management company may calculate the net asset value per unit ("non-negotiable net asset value"), e.g. if the last calendar day of a month falls on a day specified in prov. 6.2.1 a) of the appendix. Such non-negotiable net asset values may be published. However, they may be used only for performance calculations and performance statistics (in particular to compare against the benchmark) or for commission calculations, and must under no circumstances be used as the basis for subscription and redemption orders.
2. Investments listed on a stock exchange or traded on another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market price is available shall be valued at the price likely to be obtained if a sale were conducted with proper care at the time of the valuation. In such cases the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. Open-end collective investments are valued using their redemption price or net asset value. If they are listed on a stock exchange or regularly traded on another regulated market open to the public, the fund management company may value them pursuant to prov. 2.
4. The value of money market instruments which are not listed on a stock exchange or traded on another regulated market open to the public is calculated as follows: the value of the investment is based on the relevant yield curve. The yield curve valuation refers to two components: interest rate and spread. The following principles are applied: the subsequent interest rates for the residual term are interpolated for each money market instrument. The calculated interest rate is then converted into a market price by adding a spread that reflects the underlying borrower's credit rating. This spread is adjusted in the event of a significant change in the borrower's credit rating.
5. Bank deposits shall be valued using their exposure amount plus accrued interest. In the event of significant changes in market conditions or the credit rating, the valuation basis for time deposits shall be adjusted to reflect the new conditions.
6. This provision applies only to those sub-funds not listed under § 17 prov. 2 a):  
The net asset value of a unit of a sub-fund class represents the percentage of the unit class concerned in the market value of a sub-fund's assets, less all the liabilities of this sub-fund allocated to the respective unit class, divided by the number of units of the relevant class in circulation. This is rounded to the smallest unit of the individual sub-fund's accounting currency.
7. This provision applies only to those sub-funds as listed in § 17 prov. 2 a):  
If, on any one order day, the sum of subscriptions and redemptions of units in the fund result in a net inflow or outflow, the fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the valuation net asset value. This covers the incidental costs (bid/ask spread, brokerage at standard market rates, commissions, duties, etc.) that accrue to the fund on average from the investment of a net inflow or from the sale of a portion of investments corresponding to the net outflow. The valuation net asset value is adjusted upwards if net movements lead to an increase in the number of units in the fund. Conversely, the valuation net asset value is reduced if net movements lead to a decline in the number of units. The net asset value calculated on the basis of swinging single pricing is thus a modified, or "swung", net asset value as set out in the first sentence of this paragraph.
8. The percentages of the market value of a sub-fund's net assets (sub-fund assets less liabilities) which are to be attributed to the respective unit classes are determined for the first time with the initial issue of multiple unit classes (if they are issued simultaneously) or the initial issue of an additional unit class, on the basis of the inflows to the sub-fund for each unit class. The following events trigger a re-calculation of the percentage:
  - a) upon issue and redemption of units;
  - b) for the calculation of the net asset value, in terms of the allocation of liabilities (including costs and commissions which are due or have accrued) to the various unit classes, provided the liabilities of the various unit classes vary as percentages of their respective net asset values, namely if (i) different commission rates are applied for the different unit classes or if (ii) class-specific cost charges arise;
  - c) for the calculation of net asset value, in terms of the allocation of income or investment income to the various unit classes, provided the income or investment income accrues from transactions which were carried out in the interest of one unit class or in the interest of several unit classes, but not in proportion to their share of a sub-fund's assets.

## **§ 17 Issue and redemption of units**

1. Subscription or redemption orders for units will be accepted on the order day up to a specific time mentioned in the prospectus. The price used for the issue and redemption of units is calculated at the earliest on the bank business day (valuation date) following the order day (forward pricing). The Appendix governs the details.

2. Incidental costs

a) The following information applies to the sub-funds set out below:

- Bonds CHF Ausland
- Bonds CHF Ausland Medium Term
- Bonds CHF Inland
- Bonds CHF Inland Medium Term
- Bonds CHF Prime Inland
- Bonds CHF Prime Ausland
- Equities Emerging Markets Asia
- Equities Emerging Markets Global
- Equities Europe (ex Switzerland)
- Equities Global (ex Switzerland) Quantitative
- Equities International (ex Switzerland)
- Equities Switzerland
- Global Allocation (USD)
- Global Bonds 1
- Global Bonds 2
- Global Bonds 3
- Global Bonds 4
- Global Bonds Diversified
- Global Equities (ex Switzerland)
- Equities Global Small Cap (ex Switzerland) II
- Small & Mid Cap Equities Switzerland
- Swiss Real Estate Selection II

The issue and redemption prices of units shall be based on the net asset value per unit as defined in § 16 calculated on the valuation date in conjunction with closing prices on the previous day. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18. In the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18.

Incidental costs relating to the purchase and sale of investments (in particular, brokerage at standard market rates, commissions, taxes and duties) and incurred on average by the fund in connection with the investment of the amount paid in or with a sale of a portion of the assets corresponding to the units redeemed will be covered by the application of swinging single pricing as outlined in § 16 prov. 7 of the fund contract. Should additional costs, such as stamp duties, arise as a result of the deposit and payment in securities instead of in cash (cf. § 3), these must be borne by the investor.

b) The following information applies to the sub-funds set out below:

- Bonds CHF Ausland Passive
- Bonds CHF Ausland Corporate Passive II
- Bonds CHF Ausland Medium Term Passive
- Bonds CHF Ausland Passive II
- Bonds CHF Inland Passive
- Bonds CHF Inland Corporate Passive II
- Bonds CHF Inland Medium Term Passive
- Bonds CHF Inland Passive II
- Bonds USD Inflation-linked Passive II
- Equities Canada Passive
- Equities Canada Passive II
- Equities Europe Passive
- Equities Europe Passive II
- Equities Emerging Markets Global Passive II
- Equities Emerging Markets Global Minimum Volatility II
- Equities Global Passive
- Equities Global Passive II
- Equities Global Passive (CHF hedged) II
- Equities Global Small Cap Passive II
- Equities Japan Passive:
- Equities Japan Passive II
- Equities Switzerland Passive All
- Equities Switzerland Passive All II
- Equities Switzerland Passive Large
- Equities Switzerland Passive Large II

- Equities Switzerland Small & Mid Cap Passive II
- Equities USA Passive
- Equities USA Passive II
- Euro Bonds Passive
- Equities Pacific (ex Japan) Passive
- Equities Pacific (ex Japan) Passive II
- Global Aggregate Bonds Passive II
- Global Aggregate Bonds Passive (CHF hedged) II
- Global Bonds Passive
- Global Bonds Passive (hedged CHF)
- Global Bonds Conservative Passive II
- Global Bonds Fiscal Strength Passive (CHF hedged)
- Global Bonds Passive II
- Global Corporate Bonds Passive (CHF hedged) II
- Global Real Estate Securities Passive II
- JPY Bonds Passive
- GBP Bonds Passive
- USD Bonds Passive
- Equities Emerging Markets Small Cap Passive II

The issue and redemption prices of units shall be based on the net asset value per unit as defined in § 16 calculated on the valuation day in conjunction with the closing prices on the previous day. With unit issues, incidental costs (in particular, brokerage at standard market rates, commissions, taxes and duties) incurred on average by the respective sub-fund in connection with the investment of the amount paid in are added to the net asset value. With unit redemptions, incidental costs incurred on average by the respective sub-fund in connection with the sale of a portion of investments corresponding to the units redeemed are deducted from the net asset value. The applicable maximum rate is stated in the Appendix. In addition, with unit issues, an issuing commission may be added to the net asset value, pursuant to § 18. With unit redemptions, a redemption commission may be deducted from the net asset value similarly pursuant to § 18.

Should additional costs, such as stamp duties, arise as a result of the deposit and payment in securities instead of in cash (cf. § 3), these must be borne by the investor.

3. The fund management company may suspend the issue of units at any time and may also reject applications for unit subscriptions or conversions.
4. The fund management company may temporarily suspend the redemption of fund units in the interest of all investors by way of exception if:
  - a) a market on which the valuation of a significant proportion of the respective sub-fund's assets is based is closed, or if trading on such a market is limited or suspended;
  - b) a political, economic, military, monetary or other emergency occurs;
  - c) owing to exchange controls or restrictions on other asset transfers, the sub-fund is no longer able to transact its business;
  - d) large-scale unit redemptions take place that could significantly affect the interests of the remaining investors.
5. The fund management company shall immediately apprise the independent auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in an appropriate manner.
6. No sub-fund units are issued as long as the redemption of units is suspended for the reasons stipulated under prov. 4, sub-sections a) to c).
7. Each investor may request that, in the event of a subscription, they be permitted to make a contribution in kind instead of a cash payment or that, in the event of a termination, they receive a redemption in kind instead of a cash payment. Such request must be submitted at the time of subscription or notice of termination. The fund management company is not obliged to permit contributions and redemptions in kind.

The decision on contributions and redemptions in kind lies with the fund management company alone, and it approves such transactions only if the execution of the transactions is fully in accordance with the investment policy of the Fund and if the interests of the other Investors are not impaired.

The costs entailed in connection with contributions or redemptions in kind may not be charged to the fund assets.

In the event of contributions or redemptions in kind, the fund management company draws up a report containing information on the individual assets that have been transferred, the market price of these assets on the transfer date, the number of units issued or redeemed in return, and cash payments made to cover peak equalization. For every contribution or redemption in kind, the custodian bank verifies that the fund management company has complied with its duty of loyalty, and also checks the valuation of the assets transferred and the units issued or redeemed as of the relevant date. Should it have any reservations or complaints, the custodian bank must report these to the audit firm without delay.

Contribution and redemption in kind transactions must be detailed in the annual report.

## V. Remuneration and incidental costs

### § 18 Remuneration and incidental costs charged to the investor

- When units are issued, investors may be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 3% of the net asset value. The actual rate is stated in the Appendix.
- When units are redeemed, investors can be charged a redemption commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 3% of the net asset value. The actual rate is stated in the Appendix.

### § 19 Remuneration and incidental costs charged to the fund's assets

- For the activities set out in § 6 prov. 4 and the distribution of the sub-funds, as well as all of the duties of the custodian bank, such as holding the fund assets, commission of payment transactions and all other responsibilities set out in § 4 the fund management company charges the sub-funds a flat fee as set out below. This flat fee is charged to the individual sub-fund's assets pro rata temporis each time the net asset value is calculated and paid monthly (flat management fee).

a) Unit classes "I-A1", "I-A2" and "I-A3"

A maximum fee of 1.300% applies to these unit classes.

b) Unit class "I-B"

The following fee scale applies:

For funds with the Swiss franc (CHF) as accounting currency

|       |     |             |    |     |             |             |
|-------|-----|-------------|----|-----|-------------|-------------|
| Up to | CHF | 75 million  |    |     |             | 0.085% p.a. |
| From  | CHF | 75 million  | to | CHF | 150 million | 0.075% p.a. |
| From  | CHF | 150 million | to | CHF | 300 million | 0.065% p.a. |
| Over  | CHF | 300 million |    |     |             | 0.055% p.a. |

For funds with euro (EUR) as accounting currency

|       |     |             |    |     |             |             |
|-------|-----|-------------|----|-----|-------------|-------------|
| Up to | EUR | 50 million  |    |     |             | 0.085% p.a. |
| From  | EUR | 50 million  | to | EUR | 100 million | 0.075% p.a. |
| From  | EUR | 100 million | to | EUR | 200 million | 0.065% p.a. |
| Over  | EUR | 200 million |    |     |             | 0.055% p.a. |

For funds with the US dollar (USD) as accounting currency

|       |     |             |    |     |             |             |
|-------|-----|-------------|----|-----|-------------|-------------|
| Up to | USD | 60 million  |    |     |             | 0.085% p.a. |
| From  | USD | 60 million  | to | USD | 120 million | 0.075% p.a. |
| From  | USD | 120 million | to | USD | 240 million | 0.065% p.a. |
| Over  | USD | 240 million |    |     |             | 0.055% p.a. |

For funds with the Japanese yen (JPY) as accounting currency

|       |     |             |    |     |            |             |
|-------|-----|-------------|----|-----|------------|-------------|
| Up to | JPY | 7.5 billion |    |     |            | 0.085% p.a. |
| From  | JPY | 7.5 billion | to | JPY | 15 billion | 0.075% p.a. |
| From  | JPY | 15 billion  | to | JPY | 30 billion | 0.065% p.a. |
| Over  | JPY | 30 billion  |    |     |            | 0.055% p.a. |

For funds with the British pound (GBP) as accounting currency

|       |     |             |    |     |             |             |
|-------|-----|-------------|----|-----|-------------|-------------|
| Up to | GBP | 40 million  |    |     |             | 0.085% p.a. |
| From  | GBP | 40 million  | to | GBP | 80 million  | 0.075% p.a. |
| From  | GBP | 80 million  | to | GBP | 160 million | 0.065% p.a. |
| Over  | GBP | 160 million |    |     |             | 0.055% p.a. |

For the sub-funds "– Equities Emerging Markets Global", "– Equities Emerging Markets Asia" and "– Equities Emerging Markets Global Passive", a commission of up to 0.200% p.a. will be charged to the unit class "I-B".

c) Unit class "I-P"

A maximum management fee of 1.300% is levied on unit class "I-P". In addition, a performance commission will be charged of no more than 30% of the amount by which the increase in the value of sub-fund assets has exceeded the increase in the benchmark prior to the deduction of management commission. A relative high-water-mark principle is applied, so a performance participation only becomes due if the relative increase in value ("performance") of the sub-fund (calculated prior to the deduction of management commissions and fees) compared with the relative performance of the benchmark exceeds the relative performances on all previous days. These calculations and charges shall take place daily.

d) Unit class "I-X" 0.000% p.a.

Costs arising in connection with the services provided for class "I-X" units are covered by payments due to UBS under a separate written agreement with the investor (cf. § 6 prov. 4).

e) Unit class "U-X" 0.000% p.a.

Costs arising in connection with the services provided for class "U-X" units are covered by payments due to UBS under a separate written agreement with the investor (cf. § 6 prov. 4).

Provided the existing units classes are also available in a "CHF-hedged" variant, the same maximum commission shall also apply for these pursuant to § 19 prov. 1 a) to e).

Provided the existing units classes are also available in a "USD-hedged" variant, the same maximum commission shall also apply to these pursuant to § 19 prov. 1 a) to e)

Provided the existing units classes are also available in a "EUR-hedged" variant, the same maximum commission shall also apply for these pursuant to § 19 prov. 1 a) to e).

Provided the existing units classes are also available in a Swiss franc variant, designated with (CHF), the same maximum commission shall also apply for these pursuant to § 19 prov. a) to e).

Where the existing unit classes also exist in hedged form against a currency other than the Swiss franc (CHF), as indicated by the affix "([currency])", the same maximum commission applies to them, pursuant to § 19 prov. 1 a) to e).

The fund management company informs unitholders of the commission rates actually charged to the unit classes in the appendix to the fund contract.

2. The flat-rate fee or commission does not include the following remuneration and incidental costs of the fund management company and the custodian bank, which are charged separately to the assets of the respective sub-fund:
  - All incidental costs relating to the purchase and sale of investments (in particular, brokerage at standard market rates, commissions, duties and taxes) incurred in connection with the management of the sub-fund's assets. These costs are directly offset against the cost or selling price of the respective investments. With the exception of incidental costs incurred in connection with the purchase/sale of investments during unit issuing and redemption, which are covered by the application of swinging single pricing as set out in § 16 prov. 7.  
Subject to § 17 prov. 2 b);
  - fees paid to the supervisory authority for the foundation, amendment, liquidation or merger of the umbrella fund or the respective sub-funds;
  - annual fee paid to the supervisory authorities;
  - fees paid to external auditors for annual audits and for certificates in connection with the foundation, amendment, liquidation or merger of the umbrella fund and/or the respective sub-funds;
  - fees paid to legal and tax advisors in connection with the foundation, amendment, liquidation or merger of the fund and for the general representation of the interests of the umbrella fund and/or the respective sub-funds and their investors;
  - the costs of publishing the net asset value of the respective sub-funds and all costs associated with notifications to the investors, including translation costs, where such costs were not necessitated by misconduct on the part of the fund management company;
  - costs for the printing of legal documents as well as the printing of annual reports of the umbrella fund and/or the respective sub-fund;
  - costs paid for the possible registration of the umbrella fund and/or the respective sub-funds with a foreign supervisory authority, in particular commission and translation costs charged by the foreign supervisory authority as well as the compensation of the representative or paying agent abroad;
  - costs in connection with the exercising of voting and creditors' rights by the umbrella fund and/or the respective sub-funds, including fees for external advisors;
  - costs and fees associated with intellectual property registered in the name of the umbrella fund and/or the respective sub-funds or with rights of use of the fund
  - all costs incurred by the fund management company, the asset manager for collective investments or the custodian bank when taking exceptional measures to protect the interests of the investors;
  - third-party costs (e.g. attorneys' fees and custodian bank fees) arising from participation in class actions in the interest of investors may be charged to the fund assets by the fund management company. Furthermore, the fund management company may charge all administrative costs, provided these can be proven and are reported and included in the disclosure of the fund's TER;
  - license fees for the use of an index.
3. The fund management company and its agents may, in accordance with the provisions of the Appendix, pay retrocessions as remuneration for distribution activity in respect of fund units, and rebates to reduce the fees or costs incurred by the Investor and charged to the umbrella fund and the sub-funds
4. Any management commission charged by the target funds in which sub-fund assets are invested may not exceed 3%, factoring in any retrocessions and rebates which may be due. The annual report shall indicate the maximum rate of management commission of the target funds invested in, with any retrocessions and rebates due factored in, for each sub-fund.
5. If the fund management company acquires units of other collective investments managed directly or indirectly by the fund management company itself or by a company with which it is affiliated through common management or control, or through a substantial direct or indirect holding ("affiliated target fund"), it shall not charge issuing or redemption commission of the affiliated target funds to the sub-funds.
6. Remuneration is only charged to the sub-funds which receive a specific benefit. Costs which cannot be unequivocally attributed to a particular sub-fund are charged to each individual sub-fund in proportion to its share of fund assets.

## VI. Financial statements and audits

### § 20 Financial statements

1. The accounting currencies of the individual sub-funds are as follows:
 

|      |  |                     |
|------|--|---------------------|
| A.   | Bonds CHF Ausland                                      | Swiss franc (CHF);  |
| B.   | Bonds CHF Ausland Corporate Passive II                 | Swiss franc (CHF);  |
| C.   | Bonds CHF Ausland Medium Term                          | Swiss franc (CHF);  |
| D.   | Bonds CHF Ausland Medium Term Passive                  | Swiss franc (CHF);  |
| E.   | Bonds CHF Ausland Passive                              | Swiss franc (CHF);  |
| F.   | Bonds CHF Ausland Passive II                           | Swiss franc (CHF);  |
| G.   | Bonds CHF Inland                                       | Swiss franc (CHF);  |
| H.   | Bonds CHF Inland Corporate Passive II                  | Swiss franc (CHF);  |
| I.   | Bonds CHF Inland Medium Term                           | Swiss franc (CHF);  |
| J.   | Bonds CHF Inland Medium Term Passive                   | Swiss franc (CHF);  |
| K.   | Bonds CHF Inland Passive                               | Swiss franc (CHF);  |
| L.   | Bonds CHF Inland Passive II                            | Swiss franc (CHF);  |
| M.   | Bonds CHF Prime Inland                                 | Swiss franc (CHF);  |
| N.   | Bonds CHF Prime Ausland                                | Swiss franc (CHF);  |
| O.   | Bonds USD Inflation-linked Passive II                  | US dollar (USD);    |
| P.   | Equities Canada Passive                                | Swiss franc (CHF);  |
| Q.   | Equities Canada Passive II                             | Swiss franc (CHF);  |
| R.   | Equities Emerging Markets Asia                         | US dollar (USD);    |
| S.   | Equities Emerging Markets Global                       | US dollar (USD);    |
| T.   | Equities Emerging Markets Global Passive II            | US dollar (USD);    |
| U.   | Equities Emerging Markets Global Minimum Volatility II | Swiss franc (CHF);  |
| V.   | Equities Europe (ex Switzerland)                       | Swiss franc (CHF);  |
| W.   | Equities Europe Passive                                | Swiss franc (CHF);  |
| X.   | Equities Europe Passive II                             | Swiss franc (CHF);  |
| Y.   | Equities Global Passive                                | Swiss franc (CHF);  |
| Z.   | Equities Global Passive II                             | Swiss franc (CHF);  |
| AA.  | Equities Global Passive (CHF hedged) II                | Swiss franc (CHF);  |
| BB.  | Equities Global (ex Switzerland) Quantitative          | Swiss franc (CHF);  |
| CC.  | Equities Global Small Cap Passive II                   | Swiss franc (CHF);  |
| DD.  | Equities International (ex Switzerland)                | Swiss franc (CHF);  |
| EE.  | Equities Japan Passive                                 | Swiss franc (CHF);  |
| FF.  | Equities Japan Passive II                              | Swiss franc (CHF);  |
| GG.  | Equities Switzerland                                   | Swiss franc (CHF);  |
| HH.  | Equities Switzerland Passive All                       | Swiss franc (CHF);  |
| II.  | Equities Switzerland Passive Large                     | Swiss franc (CHF);  |
| JJ.  | Equities Switzerland Passive All II                    | Swiss franc (CHF);  |
| KK.  | Equities Switzerland Passive Large II                  | Swiss franc (CHF);  |
| LL.  | Equities Switzerland Small & Mid Cap Passive II        | Swiss franc (CHF);  |
| MM.  | Equities USA Passive                                   | Swiss franc (CHF);  |
| NN.  | Equities USA Passive II                                | Swiss franc (CHF);  |
| OO.  | Equities Pacific (ex Japan) Passive                    | Swiss franc (CHF);  |
| PP.  | Equities Pacific (ex Japan) Passive II                 | Swiss franc (CHF);  |
| QQ.  | Euro Bonds Passive                                     | Euro (EUR);         |
| RR.  | Global Aggregate Bonds Passive II                      | Swiss franc (CHF);  |
| SS.  | Global Aggregate Bonds Passive (CHF hedged) II         | Swiss franc (CHF);  |
| TT.  | Global Allocation (USD)                                | US dollar (USD);    |
| UU.  | Global Bonds 1   | Swiss franc (CHF);  |
| VV.  | Global Bonds 2   | Swiss franc (CHF);  |
| WW.  | Global Bonds 3   | Swiss franc (CHF);  |
| XX.  | Global Bonds 4   | Swiss franc (CHF);  |
| YY.  | Global Bonds Conservative Passive II                   | Swiss franc (CHF);  |
| ZZ.  | Global Bonds Fiscal Strength Passive (CHF hedged) II   | Swiss franc (CHF);  |
| AAA. | Global Bonds Diversified                               | Swiss franc (CHF);  |
| BBB. | Global Bonds Passive                                   | Swiss franc (CHF);  |
| CCC. | Global Bonds Passive hedged CHF                        | Swiss franc (CHF);  |
| DDD. | Global Bonds Passive II                                | Swiss franc (CHF);  |
| EEE. | Global Corporate Bonds Passive (CHF hedged) II         | Swiss franc (CHF);  |
| FFF. | Equities Global Small Cap (ex Switzerland) II          | Swiss franc (CHF);  |
| GGG. | Global Equities (ex Switzerland)                       | Swiss franc (CHF);  |
| HHH. | Global Real Estate Securities Passive II               | Swiss franc (CHF);  |
| III. | JPY Bonds Passive                                      | Japanese yen (JPY); |
| JJJ. | Small & Mid Cap Equities Switzerland                   | Swiss franc (CHF);  |



- |      |  |                      |
|------|--|----------------------|
| KKK. | Swiss Real Estate Selection II                 | Swiss franc (CHF);   |
| LLL. | GBP Bonds Passive                              | British pound (GBP); |
| MMM. | USD Bonds Passive                              | US dollar (USD);     |
| NNN. | Equities Emerging Markets Small Cap Passive II | Swiss franc (CHF).   |
2. The financial year shall run from each November 1 to October 31.
  3. The fund management company publishes an audited annual report for the umbrella fund and the sub-funds within four months of the close of the financial year.
  4. The foregoing does not affect the investor's right to obtain information in accordance with § 5 prov. 5.

## **§ 21 Audits**

The external auditors shall examine whether the fund management company and the custodian bank have acted in compliance with the statutory and contractual provisions as well as with the code of professional ethics of the Swiss Funds & Asset Management Association (SFAMA). The annual report shall contain a short report by the external auditors on the published annual financial statements.

## **VII. Appropriation of net income**

### **§ 22**

1. The net income of the sub-funds per unit class shall be added annually to the assets of the corresponding unit class of the relevant sub-fund for reinvestment. The fund management company may also opt for the interim retention of profits for the sub-funds per unit class. Exceptions apply to any taxes and duties levied on the reinvestment of these funds.
2. Capital gains realized on the sale of assets and rights may be distributed by the fund management company or retained for reinvestment.

## **VIII. Publications of official notices**

### **§ 23**

1. Official notices regarding the umbrella fund and the sub-funds are published in the print or electronic media mentioned in the Appendix. Any change in the official publication is to be specified in the official publication.
2. The official publication shall in particular include notices regarding any material amendments to the fund contract in summary form, indicating the locations where the full wording of such amendments may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, liquidation or merger of unit classes and the dissolution of sub-funds. Any amendments required by law which do not affect the interests of investors or only concern matters of form may be exempted from the duty of disclosure, subject to the approval of the supervisory authority.
3. The fund management company shall make information regarding the net asset value and the modified net asset value subsequent to application of swinging single pricing pursuant to § 16 prov. 7 for the individual sub-funds as well as information regarding the value per fund unit available to investors as agreed individually (letter, fax, electronic media, direct custody account access, e-mail).
4. The fund contract with appendix as well as the respective annual reports may be obtained free of charge from the fund management company, custodian bank and all distributors.

## **IX. Restructuring and dissolution**

### **§ 24 Merger**

1. Subject to the agreement of the custodian bank, the fund management company can merge individual sub-funds with other sub-funds or with other funds by transferring the assets and liabilities of the sub-fund(s) or fund(s) being acquired to the acquiring sub-fund or fund. The investors in the sub-fund or fund being acquired receive the corresponding number of units in the acquiring sub-fund or fund. The sub-fund or fund being acquired is terminated without liquidation when the merger takes place, and the fund contract of the acquiring sub-fund or fund also applies to the sub-fund or fund being acquired.
2. Sub-funds or funds may only be merged if:
  - a) the applicable fund contracts provide for such merger;
  - b) they are managed by the same fund management company;
  - c) the following provisions of the applicable fund contracts are essentially identical with regard to:
    - investment policy, investment techniques, risk diversification and risks associated with the investment;
    - appropriation of net income and capital gains from the sale of assets and rights;
    - the type, value and method of calculating any remuneration, issue and redemption commission and incidental costs relating to the purchase and sale of investments (brokerage, fees, duties) which may be charged to the fund's assets or the investors;
    - redemption terms;
    - the duration of the contract and requirements for dissolution;

- d) the valuation of the affected sub-funds' or funds' assets, the calculation of the exchange ratio and the transfer of assets and liabilities take place on the same day;
- e) no costs may be incurred by the sub-funds or the fund or the investors. The aforementioned shall be subject to the provisions pursuant to § 19 prov. 2;
- 3. If the merger is likely to take more than one day to complete, the supervisory authority can approve a limited delay of the redemption of the units of the sub-funds or funds involved.
- 4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain detailed information on the reasons for the merger, the investment policies of the sub-funds or funds involved and any differences between the acquiring sub-fund or fund and the sub-fund or fund being acquired, the calculation of the exchange ratio, any differences with regard to remunerations, any tax implications for the sub-funds or funds and a statement from the statutory auditors.
- 5. The fund management company publishes notice of proposed changes to the fund contract in accordance with § 24, prov. 2, and the proposed merger and schedule together with the merger plan at least two months before the planned date of merger in the official publication of the sub-funds or fund in question. Such notice shall advise investors that they may lodge an objection to the proposed amendments to the fund contract with the supervisory authority within 30 days of the last notice or request redemption of their units in cash or submit a request for redemption in kind in accordance with § 17 prov. 7.
- 6. The auditors must check immediately that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
- 7. The fund management company notifies the supervisory authority that the merger has been completed and publishes a notice to this effect, together with a statement from the auditors confirming that the merger was executed correctly and the exchange ratio without delay in the official publication of the sub-funds or funds concerned.
- 8. The fund management company must make reference to the merger in the next annual report of the acquiring sub-fund or fund and in its semi-annual report if published prior to the annual report. Unless the merger falls on the final day of the normal financial year, an audited closing statement must be produced for the sub-fund or fund being acquired.

## **§ 25 Duration of the sub-funds and dissolution**

- 1. The sub-funds have been established for an indefinite period.
- 2. The fund management company or custodian bank may dissolve the individual sub-funds by terminating the fund contract without notice.  
The following also applies for the four sub-funds "– Euro Bonds Passive", "– JPY Bonds Passive", "– GBP Bonds Passive" and "USD Bonds Passive":  
The four sub-funds serve as target funds for the sub-funds "– Global Bonds Passive" and "– Global Bonds Passive (hedged CHF)" (funds of funds): these two funds of funds may each acquire up to 100% of the units of these target funds in accordance with their risk diversification provisions (§ 15 B) prov. 10). If an application is made by one or both of the funds of funds for the redemption of a substantial portion of the assets relative to the assets of the target fund, the fund management company is required to check whether this redemption may be carried out with no detrimental impact on the remaining investors. Only then may it approve the redemption by the fund(s) of funds. If the redemption cannot be carried out without any detrimental impact, it will not be approved. The redemption by the target fund will be suspended immediately and the affected target funds will be dissolved without notice (see § 25 A) prov. 14). The redemption will then be paid to the fund(s) of funds as part of the dissolution process.  
The following also applies for the sub-fund "– Global Bonds Passive II":  
The sub-fund serves as the target fund for the sub-fund "– Global Aggregate Bonds Passive (CHF hedged) II" (fund of funds): This fund of funds may, in accordance with its risk diversification provisions (§ 15 A, prov. 8), invest up to 100% of its assets in the target fund. If an application is made by the fund of funds for the redemption of a substantial portion of the assets relative to the assets of the target fund, the fund management company is required to check whether this redemption may be carried out with no detrimental impact on the remaining investors. Only then may it approve the redemption by the fund of funds. If the redemption cannot be carried out without any detrimental impact, it will not be approved. The redemption by the target fund will be suspended immediately and the affected target funds will be dissolved without notice (see § 25 A) prov. 14). The redemption will then be paid to the fund of funds as part of the dissolution process.
- 3. The individual sub-funds may be dissolved by order of the supervisory authority, for example if a sub-fund does not have net assets of at least five million Swiss francs (or the equivalent) no later than one year after its launch, or a longer period specified by the supervisory authority at the request of the custodian bank and the fund management company.
- 4. The fund management company shall notify the supervisory authority of any such dissolution immediately and publish a notice to this effect in the official publication for the fund.
- 5. Upon termination of the fund contract, the fund management company may liquidate the affected sub-funds forthwith. If the supervisory authority has ordered the dissolution of a sub-fund, it must be liquidated

immediately. The custodian bank shall be responsible for paying the liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. Prior to the final payment, the fund management company must obtain authorization from the supervisory authority.

#### **X. Amendment to the fund contract**

##### **§ 26**

If any amendments are made to this fund contract, or in the event of a proposed merger of unit classes or change of fund management company or custodian bank, the investors may lodge objections with the supervisory authority within 30 days of official publication. In the official publication, the fund management company shall notify investors of any changes to the fund contract to be reviewed by FINMA for legal compliance. In the event of any amendment to the fund contract (including mergers of unit classes), investors may also request redemption of their units in cash subject to the period stipulated in this contract. The foregoing shall be subject to the amendments described in § 24 prov. 2 which are exempted from the duty of disclosure subject to the approval of the supervisory authority.

#### **XI. Applicable law and place of jurisdiction**

##### **§ 27**

1. The umbrella fund and its sub-funds are subject to Swiss law, in particular the Collective Investment Schemes Act of June 23, 2006, the Collective Investment Schemes Ordinance of November 22, 2006, and the FINMA Collective Investment Schemes Ordinance of December 21, 2006.  
The place of jurisdiction shall be the domicile of the fund management company.
2. The German version shall be binding for the interpretation of the fund contract.
3. This fund contract shall take effect on 19 September 2016.
4. This fund contract replaces the fund contract dated 2 February 2016.
5. In approving the fund contract, FINMA shall exclusively examine the provisions in accordance with Art. 35a para. 1 a) to g) CISO and ascertain their legal conformity.

The fund management company: UBS Fund Management (Switzerland) AG, Basel

The custodian bank: UBS Switzerland AG, Zurich

## Appendix

Appendix to the fund contract of UBS (CH) Institutional Fund

Investment fund under Swiss law with multiple sub-funds (umbrella fund) of the category "Other funds" for qualified investors

### 1. Information about the investment fund, unit classes and remuneration

- a) Minimum investment for I-A2:  
For an initial investment in I-A2, a transaction of at least CHF 10,000,000 (or the corresponding currency equivalent) must be carried out, or the total assets managed by UBS under an investment agreement must amount to more than CHF 30,000,000 (or the corresponding currency equivalent) at the time of the initial investment;
- b) Minimum investment for I-A3:  
For an initial investment in I-A3, a transaction of at least CHF 30,000,000 (or the corresponding currency equivalent) must be carried out, or the total assets managed by UBS under an investment agreement must amount to more than CHF 100,000,000 (or the corresponding currency equivalent) at the time of the initial investment;
- c) Fractional units of up to 0.001 of a unit may be traded.
- d) All unit classes are accumulation unit classes.

| Sub-fund                                 | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|--|------------|---------------------|---|---------------------|---|
| – Bonds CHF Ausland                      | I-A1       | CHF                 | CHF   | 1,089.88            | 28  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 25  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 20  |
|  | I-B        | CHF                 | CHF   | 1,061.79            | 5.5   |
|  | I-X        | CHF                 | CHF   | 1,074.44            | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Ausland Corporate Passive II | I-A1       | CHF                 | CHF   | 1,000               | 26  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 21  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 16  |
|  | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Ausland Medium Term          | I-A1       | CHF                 | CHF   | 100                 | 28  |
|  | I-A2       | CHF                 | CHF   | 100                 | 25  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 20  |
|  | I-B        | CHF                 | CHF   | 100                 | 5.5   |
|  | I-X        | CHF                 | CHF   | 100                 | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + 30% performance participation      |
| – Bonds CHF Ausland Medium Term Passive  | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|  | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Ausland Passive              | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|  | I-B        | CHF                 | CHF   | 1,000               | 4.5   |

| Sub-fund                                | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|------------|---------------------|---|---------------------|---|
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Ausland Passive II          | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|   | I-B        | CHF                 | CHF   | 912.54              | 4.5   |
|   | I-X        | CHF                 | CHF   | 913.54              | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland                      | I-A1       | CHF                 | CHF   | 1,071.70            | 28  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 25  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 20  |
|   | I-B        | CHF                 | CHF   | 993.78              | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,050.89            | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland Corporate Passive II | I-A1       | CHF                 | CHF   | 1,000               | 26  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 21  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 16  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland Medium Term          | I-A1       | CHF                 | CHF   | 1,000               | 28  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 25  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 20  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland Medium Term Passive  | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland Passive              | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds CHF Inland Passive II           | I-A1       | CHF                 | CHF   | 1,000               | 22.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 18  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 14  |
|   | I-B        | CHF                 | CHF   | 987.66              | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,007.58            | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance               |

| Sub-fund                                | Unit class        | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|-------------------|---------------------|---|---------------------|---|
| – Bonds CHF Prime Inland                | I-A1              | CHF                 | CHF   | 1,000               | participation 28                              |
|   | I-A2              | CHF                 | CHF   | 1,000               | 25  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 20  |
|   | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | 130 + max. 30% performance participation      |
| – Bonds CHF Prime Ausland               | I-A1              | CHF                 | CHF   | 1,000               | 28  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 25  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 20  |
|   | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Bonds USD Inflation-linked Passive II | (CHF hedged) I-A1 | USD                 | CHF   | 1,000               | 25  |
|   | (CHF hedged) I-A2 | USD                 | CHF   | 1,000               | 22  |
|   | (CHF hedged) I-A3 | USD                 | CHF   | 1,000               | 16  |
|   | (CHF hedged) I-B  | USD                 | CHF   | 1,000               | 4.5   |
|   | (CHF hedged) I-X  | USD                 | CHF   | 1,000               | 0   |
|   | (CHF hedged) U-X  | USD                 | CHF   | 100,000             | 0   |
|   | (CHF hedged) I-P  | USD                 | CHF   | 1,000               | Max. 130 + 30% performance participation      |
|   | I-A1              | USD                 | USD   | 1,000               | 25  |
|   | I-A2              | USD                 | USD   | 1000                | 22  |
|   | I-A3              | USD                 | USD   | 1,000               | 16  |
|   | I-B               | USD                 | USD   | 1,000               | 4.5   |
|   | I-X               | USD                 | USD   | 1,000               | 0   |
|   | U-X               | USD                 | USD   | 100,000             | 0   |
|   | I-P               | USD                 | USD   | 1,000               | Max. 130 + 30% performance participation      |
| – Equities Canada Passive               | I-A1              | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 18  |
|   | I-B               | CHF                 | CHF   | 1,000               | 5.25  |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (CAD) I-X         | CHF                 | CAD   | 1,000               | 0   |
| – Equities Canada Passive II            | I-A1              | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 18  |
|   | I-B               | CHF                 | CHF   | 1,000               | 5.25  |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Emerging Markets Asia        | I-A1              | USD                 | USD   | 1,000               | 98  |
|   | I-A2              | USD                 | USD   | 1,000               | 82  |
|   | I-A3              | USD                 | USD   | 1,000               | 74  |
|   | I-B               | USD                 | USD   | 1,000               | 18  |
|   | I-X               | USD                 | USD   | 1,000               | 0   |
|   | U-X               | USD                 | USD   | 100,000             | 0   |
|   | I-P               | USD                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Emerging Markets Global      | I-A1              | USD                 | USD   | 1,000               | 128   |
|   | I-A2              | USD                 | USD   | 1,000               | 98  |

| Sub-fund  | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|------------|---------------------|---|---------------------|---|
|   | I-A3       | USD                 | USD   | 1,000               | 88  |
|   | I-B        | USD                 | USD   | 1,000               | 18  |
|   | I-X        | USD                 | USD   | 1,000               | 0   |
|   | U-X        | USD                 | USD   | 100,000             | 0   |
|   | I-P        | USD                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (CHF) I-A1 | USD                 | CHF   | 1,697.78356         | 128   |
|   | (CHF) I-A2 | USD                 | CHF   | 1,000               | 98  |
|   | (CHF) I-A3 | USD                 | CHF   | 1,000               | 88  |
|   | (CHF) I-B  | USD                 | CHF   | 1,779.97031         | 18  |
|   | (CHF) I-X  | USD                 | CHF   | 1,884.15868         | 0   |
|   | (CHF) U-X  | USD                 | CHF   | 100,000             | 0   |
|   | (CHF) I-P  | USD                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– Equities Emerging Markets Global Passive II</b>            | I-A1       | USD                 | USD   | 1,000               | 45  |
|   | I-A2       | USD                 | USD   | 1,000               | 35  |
|   | I-A3       | USD                 | USD   | 1,000               | 27  |
|   | I-B        | USD                 | USD   | 1,000               | 18  |
|   | I-X        | USD                 | USD   | 1,000               | 0   |
|   | U-X        | USD                 | USD   | 100,000             | 0   |
|   | I-P        | USD                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (CHF) I-A1 | USD                 | CHF   | 887.70913           | 45  |
|   | (CHF) I-A2 | USD                 | CHF   | 1,000               | 35  |
|   | (CHF) I-A3 | USD                 | CHF   | 1,000               | 27  |
|   | (CHF) I-B  | USD                 | CHF   | 1,096.24913         | 18  |
|   | (CHF) I-X  | USD                 | CHF   | 1,089.08492         | 0   |
|   | (CHF) U-X  | USD                 | CHF   | 100,000             | 0   |
|   | (CHF) I-P  | USD                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– Equities Emerging Markets Global Minimum Volatility II</b> | I-A1       | CHF                 | CHF   | 1,000               | 48  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 40  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 30  |
|   | I-B        | CHF                 | CHF   | 1,000               | 18  |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– Equities Europe (ex Switzerland)</b>                       | I-A1       | CHF                 | CHF   | 1,000               | 85  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 75  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 65  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– Equities Europe Passive</b>                                | I-A1       | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2       | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 18  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.25  |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (EUR) I-X  | CHF                 | EUR   | 1,000               | 0   |
| <b>– Equities Europe Passive II</b>                             | I-A1       | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2       | CHF                 | CHF   | 1,000               | 22  |

| Sub-fund  | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|------------|---------------------|---|---------------------|---|
|   | I-A3       | CHF                 | CHF   | 1,000               | 18  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.25  |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global Passive                       | I-A1       | CHF                 | CHF   | 1,000               | 30.5  |
|   | I-A2       | CHF                 | CHF   | 932.01              | 24  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 17  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global Passive II                    | I-A1       | CHF                 | CHF   | 1,000               | 30.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 24  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 17  |
|   | I-B        | CHF                 | CHF   | 807.22              | 5.5   |
|   | I-X        | CHF                 | CHF   | 847.3               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global Passive (CHF hedged) II       | I-A1       | CHF                 | CHF   | 1,000               | 30.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 24  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 17  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global (ex Switzerland) Quantitative | I-A1       | CHF                 | CHF   | 850.8               | 80.5  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 60  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 54  |
|   | I-B        | CHF                 | CHF   | 860.08              | 5.5   |
|   | I-X        | CHF                 | CHF   | 860.41              | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global Small Cap Passive II          | I-A1       | CHF                 | CHF   | 1,000               | 35  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 25  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 20  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities International (ex Switzerland)       | I-A1       | CHF                 | CHF   | 1,000               | 70  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 60  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 54  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Japan Passive                        | I-A1       | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2       | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3       | CHF                 | CHF   | 787.98              | 18  |
|   | I-B        | CHF                 | CHF   | 1,000.48            | 5.25  |
|   | I-X        | CHF                 | CHF   | 1,003.4             | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |



| Sub-fund  | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|------------|---------------------|---|---------------------|---|
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (JPY) I-X  | CHF                 | JPY   | 100,000             | 0   |
| – Equities Japan Passive II                       | I-A1       | CHF                 | CHF   | 1,000               | 25.25   |
|   | I-A2       | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 18  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.25  |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland                            | I-A1       | CHF                 | CHF   | 775.13              | 50  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 40  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 33  |
|   | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X        | CHF                 | CHF   | 754.32              | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland Passive All                | I-A1       | CHF                 | CHF   | 1,000               | 20  |
|   | I-A2       | CHF                 | CHF   | 1,277.35            | 17  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 15  |
|   | I-B        | CHF                 | CHF   | 1,001.36            | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland Passive Large              | I-A1       | CHF                 | CHF   | 1,000               | 20  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 17  |
|   | I-A3       | CHF                 | CHF   | 1,730.44            | 15  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4   |
|   | I-X        | CHF                 | CHF   | 1,001.08            | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland Passive All II             | I-A1       | CHF                 | CHF   | 1,000               | 20  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 17  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 15  |
|   | I-B        | CHF                 | CHF   | 1,372.36            | 4.5   |
|   | I-X        | CHF                 | CHF   | 1,290.82            | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland Passive Large II           | I-A1       | CHF                 | CHF   | 1,000               | 20  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 17  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 15  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4   |
|   | I-X        | CHF                 | CHF   | 1,338.62            | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Switzerland Small & Mid Cap Passive II | I-A1       | CHF                 | CHF   | 1,000               | 20  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 17  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 15  |
|   | I-B        | CHF                 | CHF   | 1,000               | 4   |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |

| Sub-fund   | Unit class        | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|--|-------------------|---------------------|---|---------------------|---|
| – Equities USA Passive                           | I-A1              | CHF                 | CHF   | 1,000               | 25.5  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 17  |
|  | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|  | (USD) I-X         | CHF                 | USD   | 1,000               | 0   |
| – Equities USA Passive II                        | I-A1              | CHF                 | CHF   | 1,000               | 25.5  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 17  |
|  | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Pacific (ex Japan) Passive            | I-A1              | CHF                 | CHF   | 1,000               | 25.5  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|  | I-A3              | CHF                 | CHF   | 973.99              | 18  |
|  | I-B               | CHF                 | CHF   | 488.74              | 5.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|  | (USD) I-X         | CHF                 | USD   | 1,000               | 0   |
| – Equities Pacific (ex Japan) Passive II         | I-A1              | CHF                 | CHF   | 1,000               | 25.5  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 18  |
|  | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Euro Bonds Passive                             | I-A1              | EUR                 | EUR   | 1,000               | 29.5  |
|  | I-A2              | EUR                 | EUR   | 1,000               | 22  |
|  | I-A3              | EUR                 | EUR   | 1,000               | 16  |
|  | I-B               | EUR                 | EUR   | 1,000               | 4.5   |
|  | I-X               | EUR                 | EUR   | 1,000               | 0   |
|  | U-X               | EUR                 | EUR   | 100,000             | 0   |
|  | I-P               | EUR                 | EUR   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Aggregate Bonds Passive II              | I-A1              | CHF                 | CHF   | 1,000               | 35  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 30  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 20  |
|  | I-B               | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 1,000,000           | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Aggregate Bonds Passive (CHF hedged) II | (EUR hedged) I-A1 | CHF                 | EUR   | 1,000               | 35  |
|  | (EUR hedged) I-A2 | CHF                 | EUR   | 1,000               | 30  |
|  | (EUR hedged) I-A3 | CHF                 | EUR   | 1,000               | 20  |
|  | (EUR hedged) I-B  | CHF                 | EUR   | 1,000               | 4.5   |
|  | (EUR hedged) I-X  | CHF                 | EUR   | 1,000               | 0   |
|  | (EUR hedged) U-X  | CHF                 | EUR   | 100,000             | 0   |
|  | (EUR hedged) I-P  | CHF                 | EUR   | 1,000               | Max. 130 + max. 30% performance participation |
|  | I-A1              | CHF                 | CHF   | 1,000               | 35  |
|  |                   |                     |   |                     |   |

| Sub-fund                               | Unit class        | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|--|-------------------|---------------------|---|---------------------|---|
|  | I-A2              | CHF                 | CHF   | 1,000               | 30  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 20  |
|  | I-B               | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Allocation (USD)              | I-A1              | USD                 | USD   | 1,000               | 90.5  |
|  | I-A2              | USD                 | USD   | 1,000               | 82  |
|  | I-A3              | USD                 | USD   | 1,000               | 74  |
|  | I-B               | USD                 | USD   | 1,000               | 5.5   |
|  | I-X               | USD                 | USD   | 1,000               | 0   |
|  | U-X               | USD                 | USD   | 100,000             | 0   |
|  | I-P               | USD                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds 1                       | I-A1              | CHF                 | CHF   | 108.77              | 45  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 38  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 32  |
|  | I-B               | CHF                 | CHF   | 110.66              | 5.5   |
|  | I-X               | CHF                 | CHF   | 110.66              | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds 2                       | I-A1              | CHF                 | CHF   | 111.32              | 45  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 38  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 32  |
|  | I-B               | CHF                 | CHF   | 113.09              | 5.5   |
|  | I-X               | CHF                 | CHF   | 113.09              | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds 3                       | I-A1              | CHF                 | CHF   | 100.04              | 45  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 38  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 32  |
|  | I-B               | CHF                 | CHF   | 101.36              | 5.5   |
|  | I-X               | CHF                 | CHF   | 101.36              | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds 4                       | I-A1              | CHF                 | CHF   | 1,000               | 45  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 41  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 37  |
|  | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |
|  | U-X               | CHF                 | CHF   | 100,000             | 0   |
|  | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Conservative Passive II | (CHF hedged) I-A1 | CHF                 | CHF   | 1,000               | 34.5  |
|  | (CHF hedged) I-A2 | CHF                 | CHF   | 1,000               | 22  |
|  | (CHF hedged) I-A3 | CHF                 | CHF   | 1,000               | 16  |
|  | (CHF hedged) I-B  | CHF                 | CHF   | 1,000               | 4.5   |
|  | (CHF hedged) I-X  | CHF                 | CHF   | 1,000               | 0   |
|  | (CHF hedged) U-X  | CHF                 | CHF   | 100,000             | 0   |
|  | (CHF hedged) I-P  | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|  | I-A1              | CHF                 | CHF   | 1,000               | 32  |
|  | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|  | I-A3              | CHF                 | CHF   | 1,000               | 16  |
|  | I-B               | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X               | CHF                 | CHF   | 1,000               | 0   |

| Sub-fund  | Unit class        | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|-------------------|---------------------|---|---------------------|---|
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Fiscal Strength Passive (CHF hedged) | I-A1              | CHF                 | CHF   | 1,000               | 34.5  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 16  |
|   | I-B               | CHF                 | CHF   | 1,000               | 4.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Diversified                          | I-A1              | CHF                 | CHF   | 1,000               | 50  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 45  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 35  |
|   | I-B               | CHF                 | CHF   | 1,000               | 5.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Passive                              | I-A1              | CHF                 | CHF   | 1,000               | 32  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 16  |
|   | I-B               | CHF                 | CHF   | 1,000               | 4.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Passive (hedged CHF)                 | I-A1              | CHF                 | CHF   | 1,000               | 34.5  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 16  |
|   | I-B               | CHF                 | CHF   | 980.06              | 4.5   |
|   | I-X               | CHF                 | CHF   | 1,000               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Bonds Passive II                           | (CHF hedged) I-A1 | CHF                 | CHF   | 1,000               | 34.5  |
|   | (CHF hedged) I-A2 | CHF                 | CHF   | 1,000               | 22  |
|   | (CHF hedged) I-A3 | CHF                 | CHF   | 1,000               | 16  |
|   | (CHF hedged) I-B  | CHF                 | CHF   | 997.53              | 4.5   |
|   | (CHF hedged) I-X  | CHF                 | CHF   | 1,000               | 0   |
|   | (CHF hedged) U-X  | CHF                 | CHF   | 100,000             | 0   |
|   | (CHF hedged) I-P  | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
|   | (USD hedged) I-A1 | CHF                 | USD   | 1,000               | 34.5  |
|   | (USD hedged) I-A2 | CHF                 | USD   | 1,000               | 22  |
|   | (USD hedged) I-A3 | CHF                 | USD   | 1,000               | 16  |
|   | (USD hedged) I-B  | CHF                 | USD   | 1,000               | 4.5   |
|   | (USD hedged) I-X  | CHF                 | USD   | 1,000               | 0   |
|   | (USD hedged) U-X  | CHF                 | USD   | 100,000             | 0   |
|   | (USD hedged) I-P  | CHF                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
|   | I-A1              | CHF                 | CHF   | 1,000               | 32  |
|   | I-A2              | CHF                 | CHF   | 1,000               | 22  |
|   | I-A3              | CHF                 | CHF   | 1,000               | 16  |
|   | I-B               | CHF                 | CHF   | 991.81              | 4.5   |
|   | I-X               | CHF                 | CHF   | 998.6               | 0   |
|   | U-X               | CHF                 | CHF   | 100,000             | 0   |
|   | I-P               | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance               |

| Sub-fund   | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|--|------------|---------------------|---|---------------------|---|
| – Global Corporate Bonds Passive (CHF hedged) II | I-A1       | CHF                 | CHF   | 1,000               | participation<br>40                           |
|  | I-A2       | CHF                 | CHF   | 1,000               | 33  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 25  |
|  | I-B        | CHF                 | CHF   | 1,000               | 4.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Equities Global Small Cap (ex Switzerland) II  | I-A1       | CHF                 | CHF   | 1,000               | 80  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 75  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 70  |
|  | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Equities (ex Switzerland)               | I-A1       | CHF                 | CHF   | 705.3               | 70  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 60  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 54  |
|  | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X        | CHF                 | CHF   | 706.12              | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Global Real Estate Securities Passive II       | I-A1       | CHF                 | CHF   | 1,000               | 30.5  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 24  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 17  |
|  | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – JPY Bonds Passive                              | I-A1       | JPY                 | JPY   | 100,000             | 29.5  |
|  | I-A2       | JPY                 | JPY   | 100,000             | 22  |
|  | I-A3       | JPY                 | JPY   | 100,000             | 16  |
|  | I-B        | JPY                 | JPY   | 100,000             | 4.5   |
|  | I-X        | JPY                 | JPY   | 100,000             | 0   |
|  | U-X        | JPY                 | JPY   | 10,000,000          | 0   |
|  | I-P        | JPY                 | JPY   | 1,000               | Max. 130 + max. 30% performance participation |
| – Small & Mid Cap Equities Switzerland           | I-A1       | CHF                 | CHF   | 100                 | 65.5  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 65.5  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 60  |
|  | I-B        | CHF                 | CHF   | 100                 | 5.5   |
|  | I-X        | CHF                 | CHF   | 100                 | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – Swiss Real Estate Selection II                 | I-A1       | CHF                 | CHF   | 1,000               | 40  |
|  | I-A2       | CHF                 | CHF   | 1,000               | 32  |
|  | I-A3       | CHF                 | CHF   | 1,000               | 26  |
|  | I-B        | CHF                 | CHF   | 1,000               | 5.5   |
|  | I-X        | CHF                 | CHF   | 1,000               | 0   |
|  | U-X        | CHF                 | CHF   | 100,000             | 0   |
|  | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |
| – GBP Bonds Passive                              | I-A1       | GBP                 | GBP   | 1,000               | 29.5  |

| Sub-fund  | Unit class | Accounting currency | Currency of unit class (reference currency) | Initial issue price | Commission in b.p. p.a.                       |
|---|------------|---------------------|---|---------------------|---|
|   | I-A2       | GBP                 | GBP   | 1,000               | 22  |
|   | I-A3       | GBP                 | GBP   | 1,000               | 16  |
|   | I-B        | GBP                 | GBP   | 1,000               | 4.5   |
|   | I-X        | GBP                 | GBP   | 1,000               | 0   |
|   | U-X        | GBP                 | GBP   | 100,000             | 0   |
|   | I-P        | GBP                 | GBP   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– USD Bonds Passive</b>                              | I-A1       | USD                 | USD   | 762.78              | 29.5  |
|   | I-A2       | USD                 | USD   | 1,000               | 22  |
|   | I-A3       | USD                 | USD   | 1,000               | 16  |
|   | I-B        | USD                 | USD   | 1,000               | 4.5   |
|   | I-X        | USD                 | USD   | 1,000               | 0   |
|   | U-X        | USD                 | USD   | 100,000             | 0   |
|   | I-P        | USD                 | USD   | 1,000               | Max. 130 + max. 30% performance participation |
| <b>– Equities Emerging Markets Small Cap Passive II</b> | I-A1       | CHF                 | CHF   | 1,000               | 52  |
|   | I-A2       | CHF                 | CHF   | 1,000               | 40  |
|   | I-A3       | CHF                 | CHF   | 1,000               | 30  |
|   | I-B        | CHF                 | CHF   | 1,000               | 18  |
|   | I-X        | CHF                 | CHF   | 1,000               | 0   |
|   | U-X        | CHF                 | CHF   | 100,000             | 0   |
|   | I-P        | CHF                 | CHF   | 1,000               | Max. 130 + max. 30% performance participation |

#### Tax regulations relevant for the fund

The fund management company may apply for a refund of all Swiss federal withholding tax levied on the umbrella fund's domestic income on behalf of the fund. Any income realized abroad may be subject to the relevant withholding tax deductions imposed by the country of investment. According to Circular No. 24 from the Swiss Federal Tax administration, these taxes will be reclaimed by the fund management company on behalf of investors resident in Switzerland under the terms of double taxation treaties or other such agreements for those sub-funds where at least 80% of income derives from foreign sources on an ongoing basis.

| UBS (CH) Institutional Fund |  | min. 80% foreign income |
|-----------------------------|--|-------------------------|
| A.                          | Bonds CHF Ausland                                      | Yes                     |
| B.                          | Bonds CHF Ausland Corporate Passive II                 | Yes                     |
| C.                          | Bonds CHF Ausland Medium Term                          | Yes                     |
| D.                          | Bonds CHF Ausland Medium Term Passive                  | Yes                     |
| E.                          | Bonds CHF Ausland Passive                              | Yes                     |
| F.                          | Bonds CHF Ausland Passive II                           | Yes                     |
| G.                          | Bonds CHF Inland                                       | No                      |
| H.                          | Bonds CHF Inland Corporate Passive II                  | No                      |
| I.                          | Bonds CHF Inland Medium Term                           | No                      |
| J.                          | Bonds CHF Inland Medium Term Passive                   | No                      |
| K.                          | Bonds CHF Inland Passive                               | No                      |
| L.                          | Bonds CHF Inland Passive II                            | No                      |
| M.                          | Bonds CHF Prime Inland                                 | No                      |
| N.                          | Bonds CHF Prime Ausland                                | Yes                     |
| O.                          | Bonds USD Inflation-linked Passive II                  | Yes                     |
| P.                          | Equities Canada Passive                                | Yes                     |
| Q.                          | Equities Canada Passive II                             | Yes                     |
| R.                          | Equities Emerging Markets Asia                         | Yes                     |
| S.                          | Equities Emerging Markets Global                       | Yes                     |
| T.                          | Equities Emerging Markets Global Passive II            | Yes                     |
| U.                          | Equities Emerging Markets Global Minimum Volatility II | Yes                     |
| V.                          | Equities Europe (ex Switzerland)                       | Yes                     |
| W.                          | Equities Europe Passive                                | Yes                     |
| X.                          | Equities Europe Passive II                             | Yes                     |
| Y.                          | Equities Global Passive                                | No                      |
| Z.                          | Equities Global Passive II                             | No                      |
| AA.                         | Equities Global Passive (CHF hedged) II                | No                      |

|      |   |     |
|------|---|-----|
| BB.  | Equities Global (ex Switzerland) Quantitative   | Yes |
| CC.  | Equities Global Small Cap Passive II            | Yes |
| DD.  | Equities International (ex Switzerland)         | No  |
| EE.  | Equities Japan Passive                          | Yes |
| FF.  | Equities Japan Passive II                       | Yes |
| GG.  | Equities Switzerland                            | No  |
| HH.  | Equities Switzerland Passive All                | No  |
| II.  | Equities Switzerland Passive Large              | No  |
| JJ.  | Equities Switzerland Passive All II             | No  |
| KK.  | Equities Switzerland Passive Large II           | No  |
| LL.  | Equities Switzerland Small & Mid Cap Passive II | No  |
| MM.  | Equities USA Passive                            | Yes |
| NN.  | Equities USA Passive II                         | Yes |
| OO.  | Equities Pacific (ex Japan) Passive             | Yes |
| PP.  | Equities Pacific (ex Japan) Passive II          | Yes |
| QQ.  | Euro Bonds Passive                              | Yes |
| RR.  | Global Aggregate Bonds Passive II               | Yes |
| SS.  | Global Aggregate Bonds Passive (CHF hedged) II  | Yes |
| TT.  | Global Allocation (USD)                         | Yes |
| UU.  | Global Bonds 1                                  | Yes |
| VV.  | Global Bonds 2                                  | Yes |
| WW.  | Global Bonds 3                                  | Yes |
| XX.  | Global Bonds 4                                  | Yes |
| YY.  | Global Bonds Conservative Passive II            | Yes |
| ZZ.  | Global Bonds Fiscal Strength (CHF hedged)       | No  |
| AAA. | Global Bonds Diversified                        | No  |
| BBB. | Global Bonds Passive                            | No  |
| CCC. | Global Bonds Passive (hedged CHF)               | No  |
| DDD. | Global Bonds Passive II                         | Yes |
| EEE. | Global Corporate Bonds Passive (CHF hedged) II  | Yes |
| FFF. | Equities Global Small Cap (ex Switzerland) II   | Yes |
| GGG. | Global Equities (ex Switzerland)                | Yes |
| HHH. | Global Real Estate Securities Passive II        | Yes |
| III. | JPY Bonds Passive                               | Yes |
| JJJ. | Small & Mid Cap Equities Switzerland            | No  |
| KKK. | Swiss Real Estate Selection II                  | No  |
| LLL. | GBP Bonds Passive                               | Yes |
| MMM. | USD Bonds Passive                               | Yes |
| NNN. | Equities Emerging Markets Small Cap Passive II  | Yes |

## FATCA

The sub-funds of this umbrella fund were registered with the tax authorities in the United States as Registered Deemed-Compliant Financial Institutions under a Model 2 IGA as provided for by Sections 1471 – 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including related ordinances, "FATCA").

## 2. Investment objectives of the fund

### A. UBS (CH) Institutional Fund – Bonds CHF Ausland

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for bonds denominated in Swiss francs (CHF). In managing the sub-fund, the fund management company gears its activities to a representative benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of this Appendix.

### B. UBS (CH) Institutional Fund – Bonds CHF Ausland Corporate Passive II

The investment objective of this sub-fund is principally to passively replicate a benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of the Appendix and secure performance consistent with the performance of this benchmark.

### C. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term

The investment objective of this sub-fund is principally to generate long-term performance consistent with the development of the prevailing market indices for bonds denominated in Swiss francs (CHF) with medium-term

maturity issued by borrowers worldwide. In managing the sub-fund, the fund management company gears its activities to a benchmark for bonds denominated in Swiss francs (CHF) with medium-term maturity issued by borrowers worldwide, as noted in prov. 6 of this appendix.

**D. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term Passive**

The investment objective of this sub-fund is principally to passively replicate a benchmark for Swiss franc (CHF) denominated bonds with medium-term maturities as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**E. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive**

**F. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for bonds denominated in Swiss francs (CHF) as specified in the Appendix and secure performance consistent with the performance of this benchmark.

**G. UBS (CH) Institutional Fund – Bonds CHF Inland**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for bonds denominated in Swiss francs (CHF). In managing the sub-fund, the fund management company gears its activities to a representative benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of this Appendix.

**H. UBS (CH) Institutional Fund – Bonds CHF Inland Corporate Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of the Appendix and secure performance consistent with the performance of this benchmark.

**I. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for bonds denominated in Swiss francs (CHF) with medium-term maturities from Swiss borrowers. In managing the sub-fund, the fund management company gears its activities to a benchmark for bonds denominated in Swiss francs (CHF) with medium-term maturities from Swiss borrowers as listed in prov. 6 of this Appendix.

**J. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term Passive**

The investment objective of this sub-fund is principally to passively replicate a benchmark for Swiss franc (CHF) denominated bonds with medium-term maturities from Swiss borrowers as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**K. UBS (CH) Institutional Fund – Bonds CHF Inland Passive**

**L. UBS (CH) Institutional Fund – Bonds CHF Inland Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of the Appendix and secure performance consistent with the performance of this benchmark.

**M. UBS (CH) Institutional Fund – Bonds CHF Prime Inland**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for bonds denominated in Swiss francs (CHF) from prime borrowers. In managing the sub-fund, the fund management company gears its activities to a representative benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of this Appendix.

**N. UBS (CH) Institutional Fund – Bonds CHF Prime Ausland**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for bonds denominated in Swiss francs (CHF) from prime borrowers. In managing the sub-fund, the fund management company gears its activities to a representative benchmark for bonds denominated in Swiss francs (CHF) as listed in prov. 6 of this Appendix.

**O. UBS (CH) Institutional Fund – Bonds USD Inflation-linked Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for USD-denominated inflation-linked bonds as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**P. UBS (CH) Institutional Fund – Equities Canada Passive**

**Q. UBS (CH) Institutional Fund – Equities Canada Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the Canadian equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.



**R. UBS (CH) Institutional Fund – Equities Emerging Markets Asia**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for equities in the emerging markets of Asia. In managing this sub-fund, the fund management company gears its activities to a benchmark for the equity market of the emerging markets in Asia as listed in prov. 6 of this Appendix. Emerging markets are all markets included in the benchmark as well as other countries at a comparable stage of economic development or in which new equity markets are being formed. Emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems. These countries may also be associated with high levels of political or economic risk.

**S. UBS (CH) Institutional Fund – Equities Emerging Markets Global**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for equities in the emerging markets worldwide. In managing this sub-fund, the fund management company gears its activities to a benchmark for the equity market of the emerging markets worldwide as listed in prov. 6 of this Appendix. Emerging markets are all markets included in the benchmark as well as other countries at a comparable stage of economic development or in which new equity markets are being formed. Emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems. These countries may also be associated with high levels of political or economic risk.

**T. UBS (CH) Institutional Fund – Equities Emerging Markets Global Passive II**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the prevailing market indices for equities in the emerging markets worldwide. In managing this sub-fund, the fund management company gears its activities to a benchmark for the equity market of the emerging markets worldwide as listed in prov. 6 of this Appendix. Emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems. These countries may also be associated with high levels of political or economic risk.

**U. Equities Emerging Markets Global Minimum Volatility II**

The primary investment objective of this sub-fund is to passively replicate a representative index noted in prov. 6 of this appendix for the stock market of the emerging markets and to secure performance consistent with the performance of this benchmark. The emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems, whereby the benchmark and thus also the sub-fund pursue a minimum variance strategy. The emerging market countries may also be associated with high levels of political or economic risk.

**V. UBS (CH) Institutional Fund – Equities Europe (ex Switzerland)**

The investment objective of this sub-fund is principally to secure long-term performance consistent with the performance of the prevailing market indices for European equity investments (excluding Switzerland). In managing this sub-fund, the fund management company gears its activities to a benchmark for the European equity market (excluding Switzerland) as listed in prov. 6 of this Appendix.

**W. UBS (CH) Institutional Fund – Equities Europe Passive**

**X. UBS (CH) Institutional Fund – Equities Europe Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the European equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**Y. UBS (CH) Institutional Fund – Equities Global Passive**

**Z. UBS (CH) Institutional Fund – Equities Global Passive II**

**AA. UBS (CH) Institutional Fund – Equities Global Passive (CHF hedged) II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the global equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**BB. UBS (CH) Institutional Fund – Equities Global (ex Switzerland) Quantitative**

The investment objective of this sub-fund is principally to secure long-term performance that exceeds the performance of the prevailing market indices for global equity investments (excluding investments in Switzerland). In managing the assets of this sub-fund, the fund management company gears its activities to a benchmark for global equity investments as listed in prov. 6 of this Appendix. The investment process for this sub-fund is based on quantitative models which allow discrepancies in valuations to be identified and risks to be controlled. The valuation criteria required for this are based on a selection of statistical data and valuation-theory-based indicators. These quantitative models are used to generate forecasts of expected price developments in each individual stock in relation to the development of the overall market and individual sectors. The individual forecasts are used in

combination with an algorithm for portfolio construction, with the restriction that no unnecessary risks are created in respect of individual securities, sectors or factors.

**CC. UBS (CH) Institutional Fund – Equities Global Small Cap Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for global small caps as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**DD. UBS (CH) Institutional Fund – Equities International (ex Switzerland)**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the development of the prevailing market indices for global equity investments (excluding investments in Switzerland). In managing the fund assets, the fund management company gears its activities to a benchmark for the global equity market (excluding Switzerland) as listed in prov. 6 of this Appendix.

**EE. UBS (CH) Institutional Fund – Equities Japan Passive**

**FF. UBS (CH) Institutional Fund – Equities Japan Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the Japanese equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**GG. UBS (CH) Institutional Fund – Equities Switzerland**

The investment objective of this sub-fund is principally to attain a long-term performance consistent with the performance of the standard market indices for Swiss equity investments. In managing this sub-fund, the fund management company gears its activities to a benchmark for the Swiss equity market as listed in prov. 6 of this Appendix.

**HH. UBS (CH) Institutional Fund – Equities Switzerland Passive All**

**JJ. UBS (CH) Institutional Fund – Equities Switzerland Passive All II**

The investment objective of these sub-funds is principally to passively replicate a benchmark for the Swiss equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**II. UBS (CH) Institutional Fund – Equities Switzerland Passive Large**

**KK. UBS (CH) Institutional Fund – Equities Switzerland Passive Large II**

The investment objective of these sub-funds is principally to passively replicate a benchmark for the Swiss equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**LL. UBS (CH) Institutional Fund – Equities Switzerland Small & Mid Cap Passive II**

The primary investment objective of this sub-fund is to passively replicate a representative benchmark noted in prov. 6 of this appendix for the stock market of small-cap and mid-cap Swiss companies (benchmark) and to secure performance consistent with the performance of this benchmark.

**MM. UBS (CH) Institutional Fund – Equities USA Passive**

**NN. UBS (CH) Institutional Fund – Equities USA Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the US equity market as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**OO. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive**

**PP. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark for the Pacific Rim equity market (excluding Japan) as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**QQ. UBS (CH) Institutional Fund – Euro Bonds Passive**

The investment objective of this sub-fund is principally to passively replicate a benchmark for euro-denominated bonds as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**SS. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive II**

The investment objective of these sub-funds is principally to generate passively long-term performance consistent with the performance of the benchmark for global bonds as listed in prov. 6 of this Appendix.

**TT. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive (CHF hedged) II**

The investment objective of these sub-funds is principally to generate passively long-term performance consistent with the performance of the benchmark for global bonds as listed in prov. 6 of this Appendix.

**UU. UBS (CH) Institutional Fund – Global Allocation (USD)**

The investment objective of this sub-fund is to participate in the growth potential of the global financial markets on a broadly diversified basis. To this end, assets are invested worldwide, primarily in bonds and equities. The currency mentioned in the fund's name is merely the reference currency in which its performance is calculated, not its sole investment currency. Investments are made in those currencies which best benefit the performance of the fund. Instruments with lower credit ratings may be used in order to achieve the investment objective.

**VV. UBS (CH) Institutional Fund – Global Bonds 1****WW. UBS (CH) Institutional Fund – Global Bonds 2****XX. UBS (CH) Institutional Fund – Global Bonds 3**

The investment objective of these sub-funds is principally to generate long-term performance consistent with the performance of the benchmarks for global bonds as listed in prov. 6 of this Appendix.

**YY. UBS (CH) Institutional Fund – Global Bonds 4**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the benchmarks for global bonds as listed in prov. 6 of this Appendix.

**ZZ. UBS (CH) Institutional Fund – Global Bonds Conservative Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**AAA. UBS (CH) Institutional Fund – Global Bonds Fiscal Strength Passive (CHF hedged)**

The investment objective of these sub-funds is principally to generate passively long-term performance consistent with the performance of the benchmark for global corporate bonds as listed in prov. 6 of this Appendix.

**BBB. UBS (CH) Institutional Fund – Global Bonds Diversified**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the performance of the benchmarks for global bonds as listed in prov. 6 of this Appendix. The sub-fund's portfolio is implemented, inter alia, by investment in a total of at least four target funds.

Depending on the market assessment, the investment strategy may require that up to 49% of the sub-fund's assets are invested either in units of UBS (CH) Institutional Fund – Global Bonds Conservative Passive II or up to 49% of the sub-fund's assets are invested in units of UBS (Lux) Bonds SICAV – Short Term EUR Corporates.

The target fund UBS (CH) Institutional Fund – Global Bonds Conservative Passive may be used in particular if it is expected that the economy will tend to perform negatively. UBS (Lux) Bond SICAV – Short Term EUR Corporates will generally be used, on the other hand, if a positive economic performance is expected. The limits pursuant to the fund contract shall apply to the other target funds.

**CCC. UBS (CH) Institutional Fund – Global Bonds Passive**

The investment objective of this sub-fund is principally to passively replicate a benchmark for global bonds as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**DDD. UBS (CH) Institutional Fund – Global Bonds Passive (hedged CHF)****EEE. UBS (CH) Institutional Fund – Global Bonds Passive II****FFF. UBS (CH) Institutional Fund – Global Corporate Bonds Passive (CHF hedged) II**

The investment objective of these sub-funds is principally to passively replicate a benchmark for global bonds as listed in prov. 6 of this Appendix and secure performance that is consistent with the performance of this benchmark and to hedge the investments against CHF.

**GGG. UBS (CH) Institutional Fund – Equities Global Small Cap (ex Switzerland) II**

The investment objective of this sub-fund is principally to generate long-term performance consistent with the development of the stock market for small-cap companies worldwide, with the exception of Switzerland. In managing the sub-fund, the fund management company orients itself to a representative benchmark for this stock market, which is specified in prov. 6 of this appendix.

**HHH. UBS (CH) Institutional Fund – Global Equities (ex Switzerland)**

The investment objective of this sub-fund is principally to generate long-term performance that is consistent with the performance of prevailing market indices for global equity investments. In managing this sub-fund, the fund management company gears its activities to a benchmark for global equity investments as listed in prov. 6 of this Appendix.

**III. UBS (CH) Institutional Fund – Global Real Estate Securities Passive II**

The investment objective of this sub-fund is principally to passively replicate a benchmark as listed in prov. 6.1 of this Appendix and secure performance consistent with the performance of this benchmark.

**JJJ. UBS (CH) Institutional Fund – JPY Bonds Passive**

The investment objective of this fund is principally to passively replicate the representative benchmark for bonds denominated in JPY specified in prov. 6 of this appendix and secure performance consistent with the performance of this benchmark.

**KKK. UBS (CH) Institutional Fund – Small & Mid Cap Equities Switzerland**

The investment objective of this sub-fund is principally to generate long-term performance that is consistent with the performance of the equity market for small and mid cap companies in Switzerland. In managing this sub-fund, the fund management company gears its activities to a benchmark for this equity market as listed in prov. 6 of this Appendix.

**LLL. UBS (CH) Institutional Fund – Swiss Real Estate Selection II**

The investment objective of this sub-fund is principally to secure long-term performance consistent with the performance of the prevailing market indices for Swiss real estate funds and investments in Swiss securities of companies whose main activity is owning, buying, selling or developing real estate. In managing the assets of this sub-fund, the fund management company gears its activities to a benchmark for Swiss real estate funds and investments in Swiss securities of companies whose main activity is owning, buying, selling or developing real estate as listed in prov. 6 of this Appendix.

**MMM. UBS (CH) Institutional Fund – GBP Bonds Passive**

The investment objective of this fund is principally to passively replicate a benchmark for GBP-denominated bonds as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**NNN. UBS (CH) Institutional Fund – USD Bonds Passive**

The investment objective of this fund is principally to passively replicate a benchmark for USD-denominated bonds as listed in prov. 6 of this Appendix and secure performance consistent with the performance of this benchmark.

**OOO. UBS (CH) Institutional Fund – Equities Emerging Markets Small Cap Passive II**

The primary investment objective of this sub-fund is to passively replicate a representative index noted in prov. 6 of this appendix for the stock market of Emerging Markets Small Cap (benchmark) and to secure performance consistent with the performance of this benchmark. Emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems. Emerging market countries may also be associated with high levels of political or economic risk.

**3. Information on the fund management company**

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**3.1 General information on the fund management company**

UBS Fund Management (Switzerland) AG is the fund management company. It has been active in the fund business since its formation as a limited company in 1959.

The subscribed share capital of the fund management company amounts to CHF 1 million. The share capital is divided into registered shares and is fully paid up. UBS Fund Management (Switzerland) AG is a wholly owned subsidiary of UBS Group AG. As at 31 May 2016 the fund management company managed a total of 286 securities funds and 6 real estate funds in Switzerland with total assets of CHF 210.7 billion.

**3.2 Delegation of investment decisions**

The fund's investment decisions are delegated to UBS Asset Management, a division of UBS AG, Basel and Zurich. UBS AG has many years of experience in asset management services and a broad knowledge of the investment markets of the fund. Further particulars on the services provided are set out in an asset management agreement between UBS Fund Management (Switzerland) AG and UBS AG.

In addition to UBS Asset Management, Zurich, the investment decisions of the sub-fund "– Equities Global (ex Switzerland) Quantitative" are also delegated to UBS Asset Management (Americas) Inc., Chicago. The precise duties involved are set out in an asset management agreement between UBS Fund Management (Switzerland) AG and UBS Asset Management (Americas) Inc., Chicago.

**3.3 Delegation of other duties**

UBS Fund Management (Switzerland) AG jointly operates and utilizes a fund administration platform with UBS Fund Services (Luxembourg) S.A. UBS Fund Services (Luxembourg) S.A. is responsible for the processing of master data under this arrangement. The precise terms of the work carried out are set out in an agreement between the parties.

In addition, various IT services connected with the maintenance and upkeep of the hardware and software components of the fund administration platform (e.g. technical installations, configurations, system tests, archiving of data) are furnished by UBS (Luxembourg) S.A. in Luxembourg. The specific scope of these services is governed by an agreement between the parties.

All other fund management duties and the monitoring of other delegated duties are carried out in Switzerland.

#### 4. Information on the custodian bank

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UBS Switzerland AG is the custodian bank. The bank was founded in 2014 as a stock corporation with its registered office in Zurich and with effect from 14 June 2015 took over the Private and Corporate Banking business as well as the Wealth Management business booked in Switzerland of UBS AG. As a universal bank, UBS Switzerland AG offers a wide range of banking services.

The custodian bank has been registered as a Reporting Financial Institution under a Model 2 intergovernmental agreement (IGA) in accordance with Sections 1471 – 1471 of the US Internal Revenue Service's Foreign Account Tax Compliance Act (FATCA) and associated decrees. UBS Switzerland AG is a subsidiary of UBS AG.

With consolidated total assets of CHF 942,819 million and published capital and reserves of CHF 55,313 million as at 31 December 2015, UBS AG is financially one of the strongest banks in the world. It employs 60,099 staff worldwide, with an extensive network of offices.

The custodian bank may delegate the safekeeping of the fund's assets to third-party or collective depositaries in Switzerland and abroad. The custodian bank may only delegate the safekeeping of the fund's financial instruments to third-party or collective depositaries subject to regulatory supervision. This requirement does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a regulated third-party or collective depositary, notably due to binding legal constraints or the particularities of the investment product. Using third-party and collective depositaries means that the fund management company no longer has sole ownership of deposited securities, but only co-ownership. If the third-party or collective depositary is not subject to regulatory supervision, it is unlikely to meet the requirements for Swiss Banks.

The custodian bank shall be liable for losses caused by a third-party or collective depositary unless it can demonstrate that it exercised due care and diligence in selecting, instructing and monitoring the latter.

#### 5. Information on third parties

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##### 5.1 Paying agents

The paying agents are UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, and its branches in Switzerland.

##### 5.2 Distributor

The distributor is UBS Asset Management, a business division of UBS AG, Basel and Zurich.

##### 5.3 External auditors

The fund assets will be audited by Ernst & Young AG, Basel.

##### 5.4 Authorised contractual partner:

None

#### 6. Additional Information

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##### 6.1 General information

- A. UBS (CH) Institutional Fund – Bonds CHF Ausland  
Benchmark SBI® Foreign AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1579681        | CH0015796813 |
| I-A2       | 18172125       | CH0181721256 |
| I-A3       |                |              |
| I-B        | 1505735        | CH0015057356 |
| I-X        | 1579690        | CH0015796904 |
| U-X        |                |              |
| I-P        |                |              |

- B. UBS (CH) Institutional Fund – Bonds CHF Ausland Corporate Passive II  
Benchmark SBI® Corporate Foreign Total Return (S71FT)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 18961365       | CH0189613653 |
| I-A2       | 18961366       | CH0189613661 |
| I-A3       |                |              |
| I-B        | 18961364       | CH0189613646 |
| I-X        | 18961369       | CH0189613695 |
| U-X        | 18961370       | CH0189613703 |
| I-P        |                |              |

- C. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term  
Reference index SBI® Foreign AAA-BBB 1-5 years (TR)

| Unit class | Securities no. | ISIN Code    |
|------------|----------------|--------------|
| I-A1       | 11602858       | CH0116028587 |
| I-A2       | 11602868       | CH0116028686 |
| I-A3       |                |              |
| I-B        | 11602902       | CH0116029023 |
| I-X        | 11602907       | CH0116029072 |
| U-X        |                |              |
| I-P        |                |              |

- D. UBS (CH) Institutional Fund – Bonds CHF Ausland Medium Term Passive  
Benchmark SBI® Foreign AAA-BBB 1-5 Years (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 12024896       | CH0120248965 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 12221197       | CH0122211979 |
| I-X        | 11729927       | CH0117299278 |
| U-X        |                |              |
| I-P        |                |              |

- E. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive  
Benchmark SBI® Foreign AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1823453        | CH0018234531 |
| I-A2       | 14236289       | CH0142362893 |
| I-A3       |                |              |
| I-B        | 1823454        | CH0018234549 |
| I-X        | 1823456        | CH0018234564 |
| U-X        |                |              |
| I-P        |                |              |

- F. UBS (CH) Institutional Fund – Bonds CHF Ausland Passive II  
Benchmark SBI® Foreign AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 4615913        | CH0046159130 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 4615922        | CH0046159221 |
| I-X        | 4615926        | CH0046159262 |
| U-X        |                |              |
| I-P        |                |              |

- G. UBS (CH) Institutional Fund – Bonds CHF Inland  
Benchmark SBI® Domestic AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1579701        | CH0015797019 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 1296679        | CH0012966799 |
| I-X        | 1579713        | CH0015797134 |
| U-X        |                |              |
| I-P        |                |              |

- H. UBS (CH) Institutional Fund – Bonds CHF Inland Corporate Passive II  
Benchmark SBI® Corporate Domestic Total Return (S71DT)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 18961372       | CH0189613729 |
| I-A2       | 18961373       | CH0189613737 |
| I-A3       |                |              |
| I-B        | 18961371       | CH0189613711 |
| I-X        | 18961375       | CH0189613752 |
| U-X        | 18961376       | CH0189613760 |
| I-P        |                |              |

- I. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term  
Benchmark SBI® Domestic AAA-BBB 1-5 Years (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1725700        | CH0017257004 |
| I-A2       | 12592858       | CH0125928587 |
| I-A3       |                |              |
| I-B        | 1725701        | CH0017257012 |
| I-X        | 1725703        | CH0017257038 |
| U-X        |                |              |
| I-P        |                |              |

- J. UBS (CH) Institutional Fund – Bonds CHF Inland Medium Term Passive  
Benchmark SBI® Domestic AAA-BBB 1-5 Years (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 12024901       | CH0120249013 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 12221202       | CH0122212027 |
| I-X        | 11729756       | CH0117297561 |
| U-X        |                |              |
| I-P        |                |              |

- K. UBS (CH) Institutional Fund – Bonds CHF Inland Passive  
Benchmark SBI® Domestic AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1823458        | CH0018234580 |
| I-A2       | 14236219       | CH0142362190 |
| I-A3       |                |              |
| I-B        | 1823460        | CH0018234606 |
| I-X        | 1823461        | CH0018234614 |
| U-X        |                |              |
| I-P        |                |              |

- L. UBS (CH) Institutional Fund – Bonds CHF Inland Passive II  
Benchmark SBI® Domestic AAA-BBB (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 4615930        | CH0046159304 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 4615940        | CH0046159403 |
| I-X        | 4615943        | CH0046159437 |
| U-X        |                |              |
| I-P        |                |              |

|    |  |                               |                  |
|----|--|-------------------------------|------------------|
| M. | UBS (CH) Institutional Fund – Bonds CHF Prime Inland<br>Benchmark                | SBI® Domestic AAA-AA (TR)     |                  |
|    | <b>Unit class</b>  | <b>Securities no.</b>         | <b>ISIN code</b> |
|    | I-A1   | 1579852                       | CH0015798520     |
|    | I-A2   |                               |                  |
|    | I-A3   |                               |                  |
|    | I-B  | 1426547                       | CH0014265471     |
|    | I-X  | 1579857                       | CH0015798579     |
|    | U-X  |                               |                  |
|    | I-P  |                               |                  |
| N. | UBS (CH) Institutional Fund – Bonds CHF Prime Ausland<br>Benchmark               | SBI® Foreign AAA-AA (TR)      |                  |
|    | <b>Unit class</b>  | <b>Securities no.</b>         | <b>ISIN code</b> |
|    | I-A1   | 2246607                       | CH0022466079     |
|    | I-A2   |                               |                  |
|    | I-A3   |                               |                  |
|    | I-B  | 2246613                       | CH0022466137     |
|    | I-X  | 2246617                       | CH0022466178     |
|    | U-X  |                               |                  |
|    | I-P  |                               |                  |
| O. | UBS (CH) Institutional Fund – Bonds USD Inflation-linked Passive II<br>Benchmark | Barclays U.S. TIPS Index      |                  |
|    | <b>Unit class</b>  | <b>Securities no.</b>         | <b>ISIN code</b> |
|    | (CHF hedged) I-A1  |                               |                  |
|    | (CHF hedged) I-A2  |                               |                  |
|    | (CHF hedged) I-A3  |                               |                  |
|    | (CHF hedged) I-B   |                               |                  |
|    | (CHF hedged) I-X   | 24553108                      | CH0245531089     |
|    | (CHF hedged) U-X   | 22856222                      | CH0228562226     |
|    | (CHF hedged) I-P   |                               |                  |
|    | I-A1   |                               |                  |
|    | I-A2   |                               |                  |
|    | I-A3   | 27111110                      | CH0271111103     |
|    | I-B  |                               |                  |
|    | I-X  | 22856216                      | CH0228562168     |
|    | U-X  |                               |                  |
|    | I-P  |                               |                  |
| P. | UBS (CH) Institutional Fund – Equities Canada Passive<br>Benchmark               | MSCI Canada (net div. reinv.) |                  |
|    | <b>Unit class</b>  | <b>Securities no.</b>         | <b>ISIN code</b> |
|    | I-A1   |                               |                  |
|    | I-A2   |                               |                  |
|    | I-A3   |                               |                  |
|    | I-B  |                               |                  |
|    | I-X  | 4226319                       | CH0042263191     |
|    | U-X  |                               |                  |
|    | I-P  |                               |                  |
|    | (CAD) I-X  | 29535670                      | CH0295356700     |



- Q. UBS (CH) Institutional Fund – Equities Canada Passive II  
Benchmark MSCI Canada (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 12981004       | CH0129810047 |
| I-X        | 12512200       | CH0125122009 |
| U-X        |                |              |
| I-P        |                |              |

- R. UBS (CH) Institutional Fund – Equities Emerging Markets Asia  
Benchmark MSCI Emerging Markets Asia (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2376017        | CH0023760173 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 2376044        | CH0023760447 |
| I-X        | 2376069        | CH0023760694 |
| U-X        |                |              |

- S. UBS (CH) Institutional Fund – Equities Emerging Markets Global  
Benchmark MSCI Emerging Markets (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1884130        | CH0018841301 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 1884131        | CH0018841319 |
| I-X        | 1884132        | CH0018841327 |
| U-X        |                |              |
| I-P        |                |              |
| (CHF) I-A1 | 25280961       | CH0252809618 |
| (CHF) I-A2 | 25280959       | CH0252809592 |
| (CHF) I-A3 | 25280960       | CH0252809600 |
| (CHF) I-B  | 25280958       | CH0252809584 |
| (CHF) I-X  | 25280962       | CH0252809626 |
| (CHF) U-X  | 25280963       | CH0252809634 |
| (CHF) I-P  |                |              |

- T. UBS (CH) Institutional Fund – Equities Emerging Markets Global Passive II  
Benchmark MSCI Emerging Markets (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 10662389       | CH0106623892 |
| I-A2       | 11374884       | CH0113748849 |
| I-A3       | 11374991       | CH0113749912 |
| I-B        | 10662390       | CH0106623900 |
| I-X        | 10662388       | CH0106623884 |
| U-X        | 11204975       | CH0112049751 |
| I-P        |                |              |
| (CHF) I-A1 | 25280970       | CH0252809709 |
| (CHF) I-A2 | 25280967       | CH0252809675 |
| (CHF) I-A3 | 25280968       | CH0252809683 |
| (CHF) I-B  | 25280966       | CH0252809667 |
| (CHF) I-X  | 25280971       | CH0252809717 |
| (CHF) U-X  | 25280965       | CH0252809659 |
| (CHF) I-P  |                |              |

|    |   |   |
|----|---|---|
| U. | UBS (CH) Institutional Fund – Equities Emerging Markets Global Minimum Volatility II<br>Benchmark | MSCI Emerging Market Minimum Volatility (CHF) (net div. reinv.) |
|    | <b>Unit class</b>   | <b>Securities no.</b> <b>ISIN code</b>                          |
|    | I-A1  |   |
|    | I-A2  |   |
|    | I-A3  |   |
|    | I-B   |   |
|    | I-X   |   |
|    | U-X   |   |
|    | I-P   |   |
| V. | UBS (CH) Institutional Fund – Equities Europe (ex Switzerland)<br>Benchmark                       | MSCI Europe ex Switzerland (net div. reinv.)                    |
|    | <b>Unit class</b>   | <b>Securities no.</b> <b>ISIN code</b>                          |
|    | I-A1  | 2376104 CH0023761049  |
|    | I-A2  |   |
|    | I-A3  |   |
|    | I-B   | 2376127 CH0023761270  |
|    | I-X   | 2376149 CH0023761494  |
|    | U-X   |   |
|    | I-P   |   |
| W. | UBS (CH) Institutional Fund – Equities Europe Passive<br>Benchmark                                | MSCI Europe ex Switzerland (net div. reinv.)                    |
|    | <b>Unit class</b>   | <b>Securities no.</b> <b>ISIN code</b>                          |
|    | I-A1  | 1579863 CH0015798637  |
|    | I-A2  | 10975461 CH0109754611   |
|    | I-A3  | 11559315 CH0115593151   |
|    | I-B   | 1579956 CH0015799569  |
|    | I-X   | 1579964 CH0015799643  |
|    | U-X   |   |
|    | I-P   |   |
|    | (EUR) I-X   | 29535557 CH0295355579   |
| X. | UBS (CH) Institutional Fund – Equities Europe Passive II<br>Benchmark                             | MSCI Europe ex Switzerland (net div. reinv.)                    |
|    | <b>Unit class</b>   | <b>Securities no.</b> <b>ISIN code</b>                          |
|    | I-A1  |   |
|    | I-A2  |   |
|    | I-A3  |   |
|    | I-B   | 12981982 CH0129819824   |
|    | I-X   | 12512217 CH0125122173   |
|    | U-X   |   |
|    | I-P   |   |
| Y. | UBS (CH) Institutional Fund – Equities Global Passive<br>Benchmark                                | MSCI World ex Switzerland (net div. reinv.)                     |
|    | <b>Unit class</b>   | <b>Securities no.</b> <b>ISIN code</b>                          |
|    | I-A1  | 1725685 CH0017256857  |
|    | I-A2  | 11171057 CH0111710577   |
|    | I-A3  |   |
|    | I-B   | 1725686 CH0017256865  |
|    | I-X   | 1725687 CH0017256873  |
|    | U-X   |   |
|    | I-P   |   |

- Z. UBS (CH) Institutional Fund – Equities Global Passive II  
Benchmark MSCI World ex Switzerland (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 10192232       | CH0101922323 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 10192233       | CH0101922331 |
| I-X        | 10192237       | CH0101922372 |
| U-X        |                |              |
| I-P        |                |              |

- AA. UBS (CH) Institutional Fund – Equities Global Passive (CHF hedged) II  
Benchmark MSCI World ex Switzerland (net div. reinv.) (hedged to CHF)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 26628462       | CH0266284626 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 26628461       | CH0266284618 |
| I-X        | 26628467       | CH0266284675 |
| U-X        |                |              |
| I-P        |                |              |

- BB. UBS (CH) Institutional Fund – Equities Global (ex Switzerland) Quantitative  
Benchmark MSCI World ex Switzerland (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2525696        | CH0025256964 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 2525698        | CH0025256980 |
| I-X        | 2525717        | CH0025257178 |
| U-X        |                |              |
| I-P        |                |              |

- CC. UBS (CH) Institutional Fund – Equities Global Small Cap Passive II  
Benchmark: MSCI World Small Cap ex Switzerland (div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        |                |              |
| I-X        | 25569547       | CH0255695477 |
| U-X        |                |              |
| I-P        |                |              |

- DD. UBS (CH) Institutional Fund – Equities International (ex Switzerland)  
Benchmark MSCI World ex Switzerland (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 3287088        | CH0032870880 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 3287097        | CH0032870971 |
| I-X        | 3287102        | CH0032871029 |
| U-X        |                |              |
| I-P        |                |              |

|     |  |                              |                  |
|-----|--|------------------------------|------------------|
| EE. | UBS (CH) Institutional Fund – Equities Japan Passive Benchmark             | MSCI Japan (net div. reinv.) |                  |
|     | <b>Unit class</b>  | <b>Securities no.</b>        | <b>ISIN code</b> |
|     | I-A1   | 1725689                      | CH0017256899     |
|     | I-A2   | 10975456                     | CH0109754561     |
|     | I-A3   | 11559314                     | CH0115593144     |
|     | I-B  | 1725690                      | CH0017256907     |
|     | I-X  | 1725691                      | CH0017256915     |
|     | U-X  |                              |                  |
|     | I-P  |                              |                  |
|     | (JPY) I-X  | 29535661                     | CH0295356619     |
| FF. | UBS (CH) Institutional Fund – Equities Japan Passive II Benchmark          | MSCI Japan (net div. reinv.) |                  |
|     | <b>Unit class</b>  | <b>Securities no.</b>        | <b>ISIN code</b> |
|     | I-A1   |                              |                  |
|     | I-A2   |                              |                  |
|     | I-A3   |                              |                  |
|     | I-B  | 12980930                     | CH0129809304     |
|     | I-X  | 12512118                     | CH0125121183     |
|     | U-X  |                              |                  |
|     | I-P  |                              |                  |
| GG. | UBS (CH) Institutional Fund – Equities Switzerland Benchmark               | SPI® (TR)                    |                  |
|     | <b>Unit class</b>  | <b>Securities no.</b>        | <b>ISIN code</b> |
|     | I-A1   | 1579722                      | CH0015797225     |
|     | I-A2   |                              |                  |
|     | I-A3   |                              |                  |
|     | I-B  | 1296667                      | CH0012966674     |
|     | I-X  | 1579726                      | CH0015797266     |
|     | U-X  |                              |                  |
|     | I-P  |                              |                  |
| HH. | UBS (CH) Institutional Fund – Equities Switzerland Passive All Benchmark   | SPI® (TR)                    |                  |
|     | <b>Unit class</b>  | <b>Securities no.</b>        | <b>ISIN code</b> |
|     | I-A1   | 1571009                      | CH0015710095     |
|     | I-A2   | 11171067                     | CH0111710676     |
|     | I-A3   | 11683915                     | CH0116839157     |
|     | I-B  | 1571014                      | CH0015710145     |
|     | I-X  | 1571019                      | CH0015710194     |
|     | U-X  |                              |                  |
|     | I-P  |                              |                  |
| II. | UBS (CH) Institutional Fund – Equities Switzerland Passive Large Benchmark | SMI® (TR)                    |                  |
|     | <b>Unit class</b>  | <b>Securities no.</b>        | <b>ISIN code</b> |
|     | I-A1   | 1570962                      | CH0015709626     |
|     | I-A2   | 11171082                     | CH0111710825     |
|     | I-A3   | 27979410                     | CH0279794108     |
|     | I-B  | 1570967                      | CH0015709675     |
|     | I-X  | 1570968                      | CH0015709683     |
|     | U-X  |                              |                  |
|     | I-P  |                              |                  |

- JJ. UBS (CH) Institutional Fund – Equities Switzerland Passive All II  
Benchmark SPI® (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 4615947        | CH0046159478 |
| I-A2       | 25336469       | CH0253364696 |
| I-A3       | 19356176       | CH0193561765 |
| I-B        | 4616051        | CH0046160518 |
| I-X        | 4616153        | CH0046161532 |
| U-X        |                |              |
| I-P        |                |              |

- KK. UBS (CH) Institutional Fund – Equities Switzerland Passive Large II  
Benchmark SMI® (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 4616394        | CH0046163942 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 4616406        | CH0046164064 |
| I-X        | 4616414        | CH0046164148 |
| U-X        |                |              |
| I-P        |                |              |

- LL. UBS (CH) Institutional Fund – Equities Switzerland Small & Mid Cap Passive II  
Benchmark SPI Extra® (TR)

| Unit class | Securities no. | ISIN Code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        |                |              |
| I-X        | 30229012       | CH0302290124 |
| U-X        |                |              |
| I-P        |                |              |

This sub-fund may be used as a target fund for other sub-funds or investment funds. In this case, no more than 30% of the units of this sub-fund may be held by a single investor.

- MM. UBS (CH) Institutional Fund – Equities USA Passive  
Benchmark MSCI USA (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1579972        | CH0015799726 |
| I-A2       | 10975470       | CH0109754702 |
| I-A3       |                |              |
| I-B        | 1579974        | CH0015799742 |
| I-X        | 1579980        | CH0015799809 |
| U-X        |                |              |
| I-P        |                |              |
| (USD) I-X  |                |              |

- NN. UBS (CH) Institutional Fund – Equities USA Passive II  
Benchmark MSCI USA (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 13024354       | CH0130243543 |
| I-X        | 18918540       | CH0189185405 |
| U-X        | 18933230       | CH0189332304 |
| I-P        |                |              |

- OO. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive  
Benchmark MSCI Pacific ex Japan (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 3304756        | CH0033047561 |
| I-A2       | 10975439       | CH0109754397 |
| I-A3       | 11559313       | CH0115593136 |
| I-B        | 3304809        | CH0033048098 |
| I-X        | 3304832        | CH0033048320 |
| U-X        |                |              |
| I-P        |                |              |
| (USD) I-X  | 29535663       | CH0295356635 |

- PP. UBS (CH) Institutional Fund – Equities Pacific (ex Japan) Passive II  
Benchmark MSCI Pacific ex Japan (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        |                |              |
| I-X        | 14742290       | CH0147422908 |
| U-X        |                |              |
| I-P        |                |              |

- QQ. UBS (CH) Institutional Fund – Euro Bonds Passive  
Benchmark: Citigroup EMU Government Bond Index (EGBI)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2892454        | CH0028924543 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 2892456        | CH0028924568 |
| I-X        | 2892457        | CH0028924576 |
| U-X        | 11787459       | CH0117874591 |
| I-P        |                |              |

- RR. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive II  
Benchmark: Barclays Capital Global Aggregate Bond Index

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 18418269       | CH0184182696 |
| I-A2       | 18418271       | CH0184182712 |
| I-A3       | 18418272       | CH0184182720 |
| I-B        | 18418273       | CH0184182738 |
| I-X        | 18418274       | CH0184182746 |
| U-X        | 18418275       | CH0184182753 |
| I-P        |                |              |

- SS. UBS (CH) Institutional Fund – Global Aggregate Bonds Passive (CHF hedged) II  
Benchmark: Barclays Capital Global Aggregate Bond Index (CHF hedged)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 12180074       | CH0121800749 |
| I-A2       | 12180076       | CH0121800764 |
| I-A3       | 12180079       | CH0121800798 |
| I-B        | 12180082       | CH0121800822 |
| I-X        | 12127559       | CH0121275595 |
| U-X        | 12180076       | CH0121800764 |
| I-P        |                |              |

|     |   |  |                  |
|-----|---|--|------------------|
|     | (EUR hedged) I-A1                                     |  |                  |
|     | (EUR hedged) I-A2                                     |  |                  |
|     | (EUR hedged) I-A3                                     | 19024601   | CH0190246014     |
|     | (EUR hedged) I-B                                      |  |                  |
|     | (EUR hedged) I-X                                      |  |                  |
|     | (EUR hedged) U-X                                      |  |                  |
|     | (EUR hedged) I-P                                      |  |                  |
| TT. | UBS (CH) Institutional Fund – Global Allocation (USD) |  |                  |
|     | Benchmark   | 60% MSCI All Country World net in USD + 40% Citigroup WGBI (hedged in USD) |                  |
|     | <b>Unit class</b>                                     | <b>Securities no.</b>  | <b>ISIN code</b> |
|     | I-A1  | 2055219  | CH0020552193     |
|     | I-A2  |  |                  |
|     | I-A3  |  |                  |
|     | I-B   | 2055221  | CH0020552219     |
|     | I-X   | 2055227  | CH0020552276     |
|     | U-X   |  |                  |
|     | I-P   |  |                  |
| UU. | UBS (CH) Institutional Fund – Global Bonds 1          |  |                  |
|     | Benchmark   | Citigroup World Government Bond Index (WGBI) ex Switzerland                |                  |
|     | <b>Unit class</b>                                     | <b>Securities no.</b>  | <b>ISIN code</b> |
|     | I-A1  | 1579734  | CH0015797340     |
|     | I-A2  |  |                  |
|     | I-A3  |  |                  |
|     | I-B   | 1579747  | CH0015797472     |
|     | I-X   | 1579766  | CH0015797662     |
|     | U-X   |  |                  |
|     | I-P   |  |                  |
| VV. | UBS (CH) Institutional Fund – Global Bonds 2          |  |                  |
|     | Benchmark   | JP Morgan Government Bond Index Global Active                              |                  |
|     | <b>Unit class</b>                                     | <b>Securities no.</b>  | <b>ISIN code</b> |
|     | I-A1  | 1579770  | CH0015797704     |
|     | I-A2  |  |                  |
|     | I-A3  |  |                  |
|     | I-B   | 1579776  | CH0015797761     |
|     | I-X   | 1579782  | CH0015797829     |
|     | U-X   |  |                  |
|     | I-P   |  |                  |
| WW. | UBS (CH) Institutional Fund – Global Bonds 3          |  |                  |
|     | Benchmark   | JP Morgan Government Bond Index Global Traded                              |                  |
|     | <b>Unit class</b>                                     | <b>Securities no.</b>  | <b>ISIN code</b> |
|     | I-A1  | 1579787  | CH0015797878     |
|     | I-A2  |  |                  |
|     | I-A3  |  |                  |
|     | I-B   | 1579791  | CH0015797910     |
|     | I-X   | 1579809  | CH0015798090     |
|     | U-X   | 21590210   | CH0215902104     |
|     | I-P   |  |                  |

XX. UBS (CH) Institutional Fund – Global Bonds 4  
 Benchmark Barclays Capital Global Aggregate Bond Index (CHF hedged)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1664091        | CH0016640911 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 1664092        | CH0016640929 |
| I-X        | 1664093        | CH0016640937 |
| U-X        |                |              |
| I-P        |                |              |

YY. UBS (CH) Institutional Fund – Global Bonds Conservative Passive II  
 Benchmark Citigroup World Government Bond Index (WGBI) (customized)

| Unit class        | Securities no. | ISIN code    |
|-------------------|----------------|--------------|
| (CHF hedged) I-A1 | 13747146       | CH0137471469 |
| (CHF hedged) I-A2 | 13382161       | CH0133821618 |
| (CHF hedged) I-A3 |                |              |
| (CHF hedged) I-B  |                |              |
| (CHF hedged) I-X  | 13366241       | CH0133662418 |
| (CHF hedged) U-X  | 14096465       | CH0140964658 |
| (CHF hedged) I-P  |                |              |
| I-A1              | 13711978       | CH0137119787 |
| I-A2              | 13382163       | CH0133821634 |
| I-A3              |                |              |
| I-B               | 13366200       | CH0133662004 |
| I-X               | 13366193       | CH0133661931 |
| U-X               | 14096467       | CH0140964674 |
| I-P               |                |              |

ZZ. UBS (CH) Institutional Fund – Global Bonds Fiscal Strength Passive (CHF hedged)  
 Benchmark Barclays Capital Global Treasury Fiscal Strength Weighted Index ex Switzerland (CHF hedged)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 18961357       | CH0189613570 |
| I-A2       | 18961360       | CH0189613604 |
| I-A3       |                |              |
| I-B        | 18961356       | CH0189613562 |
| I-X        | 18961362       | CH0189613620 |
| U-X        |                |              |
| I-P        |                |              |

AA. UBS (CH) Institutional Fund – Global Bonds Diversified  
 Benchmark UBS Global Bonds Diversified (customized)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 13957218       | CH0139572181 |
| I-A2       | 13957219       | CH0139572199 |
| I-A3       |                |              |
| I-B        | 13957221       | CH0139572215 |
| I-X        | 13957222       | CH0139572223 |
| U-X        |                |              |
| I-P        |                |              |



BBB. UBS (CH) Institutional Fund – Global Bonds Passive  
 Benchmark Citigroup World Government Bond Index (WGBI) ex Switzerland

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2265014        | CH0022650144 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 2265070        | CH0022650706 |
| I-X        | 2265088        | CH0022650888 |
| U-X        |                |              |
| I-P        |                |              |

CCC. UBS (CH) Institutional Fund – Global Bonds Passive (hedged CHF)  
 Benchmark Citigroup World Government Bond Index (WGBI) ex Switzerland  
 (hedged CHF)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2892459        | CH0028924592 |
| I-A2       | 14236215       | CH0142362158 |
| I-A3       | 23365850       | CH0233658506 |
| I-B        | 2892461        | CH0028924618 |
| I-X        | 2892462        | CH0028924626 |
| U-X        |                |              |
| I-P        |                |              |

DDD. UBS (CH) Institutional Fund – Global Bonds Passive II  
 Benchmark Citigroup World Government Bond Index (WGBI) ex Switzerland

| Unit class          | Securities no. | ISIN code    |
|---------------------|----------------|--------------|
| (CHF hedged) ) I-A1 | 4451468        | CH0044514682 |
| (CHF hedged) I-A2   | 11381616       | CH0113816166 |
| (CHF hedged) I-A3   | 11381617       | CH0113816174 |
| (CHF hedged) I-B    | 4451473        | CH0044514732 |
| (CHF hedged) I-X    | 4451526        | CH0044515267 |
| (CHF hedged) U-X    |                |              |
| (CHF hedged) I-P    |                |              |
| (USD hedged) I-A1   |                |              |
| (USD hedged) I-A2   |                |              |
| (USD hedged) I-A3   |                |              |
| (USD hedged) I-B    |                |              |
| (USD hedged) I-X    |                |              |
| (USD hedged) U-X    |                |              |
| (USD hedged) I-P    |                |              |
| I-A1                | 11381611       | CH0113816117 |
| I-A2                |                |              |
| I-A3                |                |              |
| I-B                 | 11381608       | CH0113816083 |
| I-X                 | 11381609       | CH0113816091 |
| U-X                 |                |              |
| I-P                 |                |              |

EEE. UBS (CH) Institutional Fund – Global Corporate Bonds Passive (CHF hedged) II  
 Benchmark Barclays Capital Global Aggregate Corporates (CHF hedged)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 18418262       | CH0184182621 |
| I-A2       | 18418263       | CH0184182639 |
| I-A3       | 18418264       | CH0184182647 |
| I-B        | 18418266       | CH0184182662 |
| I-X        | 18418267       | CH0184182670 |
| U-X        | 18418268       | CH0184182688 |
| I-P        |                |              |

- FFF. UBS (CH) Institutional Fund – Equities Global Small Cap (ex Switzerland) II  
 Benchmark MSCI World Small Caps Index (ex Switzerland)

| Unit class | Securities no. | ISIN Code    |
|------------|----------------|--------------|
| I-A1       | 18418276       | CH0184182761 |
| I-A2       | 18418277       | CH0184182779 |
| I-A3       | 18418278       | CH0184182787 |
| I-B        | 18418280       | CH0184182803 |
| I-X        | 18418281       | CH0184182811 |
| U-X        | 18418282       | CH0184182829 |
| I-P        |                |              |

- GGG. UBS (CH) Institutional Fund – Global Equities (ex Switzerland)  
 Benchmark MSCI World ex Switzerland (net div. reinv.)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1579824        | CH0015798249 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 1296668        | CH0012966682 |
| I-X        | 1579850        | CH0015798504 |
| U-X        |                |              |
| I-P        |                |              |

- HHH. UBS (CH) Institutional Fund – Global Real Estate Securities Passive II  
 Benchmark FTSE EPRA/NAREIT Developed Index (hedged CHF)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 2198089        | CH0021980898 |
| I-A2       | 20231389       | CH0202313893 |
| I-A3       |                |              |
| I-B        | 2198094        | CH0021980948 |
| I-X        | 2198096        | CH0021980963 |
| U-X        |                |              |
| I-P        |                |              |

- III. UBS (CH) Institutional Fund – JPY Bonds Passive  
 Benchmark Citigroup Japan Government Bond Index

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        |                |              |
| I-X        | 4348671        | CH0043486718 |
| U-X        | 11787463       | CH0117874633 |
| I-P        |                |              |

- JJJ. UBS (CH) Institutional Fund – Small & Mid Cap Equities Switzerland  
 Benchmark SPI Extra® (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 1176430        | CH0011764302 |
| I-A2       | 25735964       | CH0257359643 |
| I-A3       |                |              |
| I-B        | 1176431        | CH0011764310 |
| I-X        | 1580000        | CH0015800003 |
| U-X        |                |              |
| I-P        |                |              |

KKK. UBS (CH) Institutional Fund – Swiss Real Estate Selection II  
Benchmark SXI Real Estate® Funds (TR)

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 3542727        | CH0035427274 |
| I-A2       | 12278750       | CH0122787507 |
| I-A3       | 18051290       | CH0180512904 |
| I-B        | 3543348        | CH0035433488 |
| I-X        | 3543359        | CH0035433595 |
| U-X        |                |              |
| I-P        |                |              |

LLL. UBS (CH) Institutional Fund – GBP Bonds Passive  
Benchmark Citigroup UK Government Bond Index

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       |                |              |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        |                |              |
| I-X        | 4348680        | CH0043486809 |
| U-X        | 11787468       | CH0117874682 |
| I-P        |                |              |

MMM. UBS (CH) Institutional Fund – USD Bonds Passive  
Benchmark Citigroup US Government Bond Index

| Unit class | Securities no. | ISIN code    |
|------------|----------------|--------------|
| I-A1       | 4348657        | CH0043486577 |
| I-A2       |                |              |
| I-A3       |                |              |
| I-B        | 4348659        | CH0043486593 |
| I-X        | 4348662        | CH0043486627 |
| U-X        | 11787471       | CH0117874716 |
| I-P        |                |              |

NNN. UBS (CH) Institutional Fund – Equities Emerging Markets Small Cap Passive II  
Benchmark MSCI Emerging Markets Small Cap Index

| Unit class | Securities no. | ISIN Code |
|------------|----------------|-----------|
| I-A1       |                |           |
| I-A2       |                |           |
| I-A3       |                |           |
| I-B        |                |           |
| I-X        |                |           |
| U-X        |                |           |
| I-P        |                |           |

#### Additional information on the benchmarks

The following applies to the following sub-funds and the corresponding benchmarks:

| Sub-funds   | Benchmarks                                    |
|---|---|
| – Bonds CHF Ausland Corporate Passive II          | SBI® Foreign Corporates AAA-BBB (TR) (S71FT)  |
| – Bonds CHF Ausland Medium Term Passive           | SBI Foreign AAA-BBB 1-5 Jahre (TR)            |
| – Bonds CHF Ausland Passive                       | SBI® Foreign AAA-BBB (Total Return)           |
| – Bonds CHF Ausland Passive II                    | SBI® Foreign AAA-BBB (Total Return)           |
| – Bonds CHF Inland Corporate Passive II           | SBI® Domestic Corporates AAA-BBB (TR) (S71DT) |
| – Bonds CHF Inland Medium Term Passive            | SBI Domestic AAA-BBB 1-5 Jahre (TR)           |
| – Bonds CHF Inland Passive                        | Swiss Domestic Bond Index (Total Return)      |
| – Bonds CHF Inland Passive II                     | SBI® Domestic AAA-BBB Total Return            |
| – Equities Switzerland Passive All                | SPI (Total Return)                            |
| – Equities Switzerland Passive All II             | SPI (Total Return)                            |
| – Equities Switzerland Passive Large              | SMIC (Total Return)                           |
| – Equities Switzerland Passive Large II           | SMIC (Total Return)                           |
| – Equities Switzerland Small & Mid Cap Passive II | SPI Extra (Total Return)                      |

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  - the results that may be achieved by the sub-funds, the holders of the sub-funds or any other persons in connection with the use of the benchmarks and the data contained in the benchmarks;
  - the accuracy, timeliness and completeness of the benchmarks and their data;
  - the marketability of the benchmarks and their data, as well as their suitability for a specific purpose or for a specific use;
  - the performance of the sub-funds in general.
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- SIX Swiss Exchange and its Licensors accept no liability (either by reason of negligence or any other conduct) under any circumstances for any loss of profits or any indirect, specific or consequential damage, fines or losses incurred as a result of any such errors, omissions or gaps in the benchmarks or their data or generally in connection with the sub-funds. This also applies if SIX Swiss Exchange or its Licensors are aware that such losses or damage may occur.

The license agreement between the fund management company and SIX Swiss Exchange is solely for their benefit and not for the benefit of the holders of the sub-funds or other third parties.

The following information applies to all sub-funds:

Accounting year November 1 to October 31. The income of the sub-fund is re-invested annually.

Pursuant to § 12 the fund management company may make use of credit derivatives. As asymmetric derivatives, credit derivatives are comparable with other OTC derivatives in their basic design. Alongside counterparty and market risk, however, credit derivatives also entail special risks that are attributable to the high concentration of market participants, the complexity involved in valuing instruments and a certain degree of legal uncertainty. The fund management company seeks to minimize such risks through appropriate measures. Nevertheless, in individual cases, it is not possible to exclude the possibility of legal disputes regarding the extent to which underlying credit risks are actually covered. If it ensures that risks were not actually covered, the individual sub-fund of the investment fund may incur an additional loss.

## **6.2 Issues and redemptions and settlement**

### **6.2.1 Issues and redemptions**

- a) Subscription or redemption orders for units are accepted until 3:30 p.m. on each bank business day with the exception of the cases referred to under b-g) (trading day). No subscription or redemption orders are accepted on Swiss public holidays (Easter, Whitsun, Christmas, New Year, the Swiss national holiday [1 August] etc.). Furthermore, no subscription or redemption orders are accepted on 24th and 31st December for the sub-funds specified in a-e), and on 23 and 30 December for the sub-funds specified in f) and g). The issue and redemption issue is determined on the bank business day following the order date (valuation date) with the exception of the cases specified in e) (forward pricing). Orders processed by the custodian bank

- after this time will be processed using the net asset value calculated two bank business days later. A bank business day is any day on which banks in Basel or Zurich are open.
- b) Subscription and redemption orders for units of the sub-funds set out below will be accepted until 1 p.m. so that they can be settled on the bank business day following the order day (valuation date):
    - Global Allocation (USD)
  - c) For the following sub-funds, orders must be entered no later than 2 p.m. so they can be settled on the following bank business day in Switzerland at the net asset value of the previous day (= date of issue or redemption):
    - Equities Global Small Cap Passive II
    - Equities Global Passive II
    - Equities Global Passive (CHF hedged) II
    - Equities Global Passive
    - Equities International (ex Switzerland)
    - Global Aggregate Bonds Passive (CHF hedged)
    - Global Bonds Diversified
  - d) Subscription or redemption orders for units are accepted until 3:30 p.m. in order to be settled on the bank business day following the trading day (valuation day):
    - Equities USA Passive
    - Equities Europe Passive
    - Equities Canada Passive
    - Equities USA Passive II
    - Equities Europe Passive II
    - Equities Canada Passive II
  - e) Subscription or redemption orders for units are accepted until 4 p.m. so that they can be settled on the bank business day following the order date (valuation date):
    - JPY Bonds Passive
    - USD Bonds Passive
  - f) Subscription or redemption orders for units are accepted until 3 p.m. in order to be settled on the bank business day following the trading day (valuation day):
    - Equities Emerging Markets Global
    - Equities Emerging Markets Global Passive II
    - Equities Emerging Markets Global Minimum Volatility II
    - Equities Emerging Markets Asia
    - Global Real Estate Securities Passive II
    - Equities Emerging Markets Small Cap Passive II
  - g) Subscription or redemption orders for units are accepted until 3:30 p.m. in order to be settled on the bank business day following the next trading day (valuation day):
    - Equities Japan Passive
    - Equities Japan Passive II
    - Equities Pacific (ex Japan) Passive
    - Equities Pacific (ex Japan) Passive II

#### 6.2.2 Settlement

The issue and redemption price is settled with a value date of no more than three bank business days after the order date.

### 6.3 Terms for the issue and redemption of fund units

No issue or redemption commission is currently charged for the issue or redemption of units.

In application of § 17 prov. 2 b) of the fund contract, the following incidental costs are charged (as a protection against dilution for existing / remaining unitholders; in the form of a maximum percentage of the subscription/redemption volume):

Costs for subscription: max. 2%

Costs for redemption: max 2%

Sub-funds affected:

- Bonds CHF Ausland Corporate Passive II
- Bonds CHF Ausland Medium Term Passive
- Bonds CHF Ausland Passive
- Bonds CHF Ausland Passive II
- Bonds CHF Inland Corporate Passive II
- Bonds CHF Inland Medium Term Passive
- Bonds CHF Inland Passive
- Bonds CHF Inland Passive II
- Bonds USD Inflation-linked Passive II

- Equities Canada Passive
- Equities Canada Passive II
- Equities Emerging Markets Global Passive II
- Equities Emerging Markets Global Minimum Volatility II
- Equities Europe Passive
- Equities Europe Passive II
- Equities Global Passive
- Equities Global Passive II
- Equities Global Passive (CHF hedged) II
- Equities Global Small Cap Passive II
- Equities Japan Passive
- Equities Japan Passive II
- Equities Switzerland Passive All
- Equities Switzerland Passive Large
- Equities Switzerland Passive All II
- Equities Switzerland Passive Large II
- Equities Switzerland Small & Mid Cap Passive II
- Equities USA Passive
- Equities USA Passive II
- Equities Pacific (ex Japan) Passive
- Equities Pacific (ex Japan) Passive II
- Euro Bonds Passive
- Global Aggregate Bonds Passive II
- Global Aggregate Bonds Passive (CHF hedged) II
- Global Bonds Conservative Passive II
- Global Bonds Fiscal Strength Passive (CHF hedged)
- Global Bonds Passive
- Global Bonds Passive (hedged CHF)
- Global Bonds Passive II
- Global Corporate Bonds Passive (CHF hedged) II
- Global Real Estate Securities Passive II
- JPY Bonds Passive
- GBP Bonds Passive
- USD Bonds Passive
- Equities Emerging Markets Small Cap Passive II

#### **6.4 Remuneration**

The remuneration is set out in the table under prov. 1.

#### **Payment of retrocessions and rebates:**

The fund management company and its agents do not pay retrocessions to third parties as compensation for the distribution activities in respect of fund units in or from Switzerland. The fund management company and its agents shall not pay any rebates directly to investors as part of distribution in or from Switzerland in order to reduce the fees and costs attributable to investors and charged to the umbrella fund and/or the sub-funds..

#### **6.5 Sales restrictions**

When issuing and redeeming units of this fund abroad, the provisions valid in the country in question shall apply.

Units of the sub-funds of the umbrella fund may not be offered, sold or delivered in the US.

Units of the sub-funds of the umbrella fund may not be offered, sold or delivered to US citizens, individuals domiciled in the US and/or other natural persons or legal entities whose income and/or earnings are subject to US income tax, regardless of source, as well as persons who are considered to be US persons pursuant to regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act in its most recent version.

#### **6.6 Conversion of units**

Unit holders may switch from one sub-fund to another at any time. The same provisions apply to the submission of conversion applications as apply to the issue and redemption of units (cf. §17). The number of units into which the investor would like to convert his or her units is calculated using the following formula:

$$A = (B \times C) / D$$

where:

A = number of units of the sub-fund unit class into which the investor wants to convert

B = number of units of the sub-fund unit class from which the investor wants to convert

C = net asset value of the units presented for conversion

D = net asset value of the units of the sub-fund unit class in which the conversion is to take place

### **6.7 Due diligence on acquisition of target funds**

Target funds are selected using quantitative and qualitative criteria. As part of quantitative analysis, the historical relationship between risk and return is analyzed over various time periods. On the qualitative side, an in-depth assessment of the fund company's profile is carried out, looking at its corporate infrastructure, investment style, investment processes and internal risk controls. The results of both qualitative and quantitative evaluations are subject to regular reviews

### **6.8 Issuer and counterparty risk**

With regard to indirect investments via derivatives, it should be noted that such investments may result in an accumulation of risk. In addition to the market risk of the underlying there is the risk stemming from the issuer of the derivative. This risk cumulation can be of particular significance where derivatives on market indices are used systematically instead of a broadly diversified portfolio of direct investments.

### **6.9 Official publication**

Swiss Fund Data AG ([www.swissfunddata.ch](http://www.swissfunddata.ch)) is the official publication of the umbrella fund.

### **6.10 Risk information**

Investors should note that higher volatility exists for all sub-funds for which the application of the value-at-risk approach has been set pursuant to § 12.

### **6.11 Information for sub-funds which are considered to be funds of funds**

Sub-funds in the form of funds of funds invest primarily in other funds and only to a limited extent in direct investments.

Advantages of a fund of funds structure:

- The sub-funds of the fund of funds seek to invest in target funds that have a low correlation to each other, thereby achieving a higher degree of diversification when compared to many target funds.
- The comprehensive selection process performed by the fund of funds manager using qualitative and quantitative criteria makes it possible to identify the most appropriate target funds worldwide.
- As a result of ongoing monitoring and control (due diligence) performed by the fund of funds' sub-fund manager, and the related supervisory function performed by the fund management company, assets can be monitored regularly with regard to the investment objective and adjusted in line with market changes as necessary.

Disadvantages of a fund of funds structure:

- Investing in a sub-fund of the fund of funds means that the investor not only has to bear the commissions of the sub-fund, but also the commissions of the target funds in which the sub-fund of the fund of funds invests.
- The sub-funds of the fund of funds invest in target hedge funds; the sub-funds of the fund of funds have no or only a very limited influence on these target hedge funds. The target hedge funds can build up leverage, i.e. create an exposure that significantly exceeds its own net assets. Since the sub-funds of the fund of funds have no or only a very limited influence on the target hedge funds, they cannot influence the activities of the target hedge funds.

The fund management company: UBS Fund Management (Switzerland) AG, Basel

The custodian bank: UBS Switzerland AG, Zurich