

As of September 2008

Overview of UBS Investment Bank's Business Continuity Plan

UBS Investment Bank is committed to taking commercially reasonable steps to provide protection for essential activities and critical support services should a significant business disruption result from events such as power outages, natural disasters, pandemics or other situations. UBS Investment Bank established a Business Continuity Plan intended to protect assets, processes and customer data while enabling continued operation of critical functions during or immediately following a disruption.

UBS Investment Bank recognizes its responsibility to help protect global Financial Systems and strives to meet or exceed regulatory guidelines and recommendations.

Depending on the type, scope or duration of a business disruption, UBS Investment Bank's Business Continuity Plan is engineered to resume critical operations (clearance and settlement) within the same business day. UBS Investment Bank intends to recover and resume the remaining operations within predefined timeframes, in many cases by the end of the next business day.

Our Business Continuity Program considers various levels of disruption that might affect one building, a business district, city or a wide-scale condition affecting a region or multiple regions. UBS Investment Bank plans to utilize its local recovery capabilities and, when deemed necessary and appropriate, has the ability to recover to international locations to resume business and ensure customers prompt access to funds and securities. Information is stored securely in multiple sites located within the countries in which we operate and internationally, when permissible by local regulations, allowing UBS Investment Bank to recover and utilize critical data in the event of a business disruption.

Pandemic preparedness is important at UBS. Globally, our planning considers guidance suggested by international agencies, national governmental and non-governmental regulatory bodies, such as the World Health Organization, the Financial Services Authority in the UK, the Monetary Authority of Singapore or the Financial Industry Regulatory Authority (or its predecessors) in the USA.

UBS Investment Bank's global Business Continuity Management teams include full-time dedicated professionals covering all of our global and regional business activities. Under this program, all business areas establish, test and maintain tailored business continuity plans. These plans include consideration for communication, critical processes, personnel, technology, functions, and associated recovery times. The plans are tested throughout the year to certify that business functions are recoverable.

Our Business Continuity Program is subject to review by regulatory authorities. UBS Investment Bank continually assesses and updates our Business Continuity Plans. However, no contingency plan can eliminate all risk of service disruption. Our ability to resume critical functions is also dependent upon the Business Continuity Plans established by third parties, including exchanges, vendors and utilities. Because we constantly upgrade our ability to recover, our Business Continuity Plan is subject to modification without notification.