

SEC Required Report on Routing of Customer Orders for Quarter Ending March 31, 2008

UBS Securities LLC has prepared this report in compliance with the U.S. Securities and Exchange Commission (“SEC”) Rule 606, which requires all brokerage firms to provide publicly available quarterly reports (the “Report”) on their order-routing practices. As required, the Report provides information on the routing of “non-directed orders” (any order that a customer has not specifically instructed to be routed to a particular venue for execution) where the principal value is less than \$200,000 for equities and less than \$50,000 for options. Therefore, many large institutional orders are excluded. However, smaller institutional orders (including some program trading activity) and most retail orders were captured in the data presented because they were below that threshold. For these non-directed orders, UBS Securities LLC has selected the execution venue on behalf of its customers.

The Report is divided into four sections: (1) securities listed on the New York Stock Exchange; (2) securities listed on the Nasdaq Stock Market; (3) securities listed on the American Stock Exchange or regional exchanges; and (4) exchange-listed options. For each section, the Report identifies the venues most often selected by UBS Securities LLC, sets forth the percentage of various types of orders routed to those venues, and discusses any material aspects of UBS Securities LLC’s relationship with those venues. The Firm currently holds equity interests in the following exchanges/market centers: NASDAQ Stock Market, Inc. (NASDAQ), Philadelphia Stock Exchange, Inc. (PHLX), BIDS Trading, L.P. (BIDS), and Boston Options Exchange Group LLC (BOX).

UBS will make available to any client the identity of the venue to which the client’s orders were routed for execution during the six months prior to a client’s request, whether the orders were directed or non-directed orders, and the time of the transactions, if any, that resulted from the orders. To request this information with respect to any order you have placed, please contact your UBS sales person.

1. Securities Listed on the New York Stock Exchange

A substantial majority of U.S. customer orders routed to UBS Securities LLC in New York Stock Exchange-listed securities originate from institutional investors or other broker dealers and may include orders for program trades.

Summary Statistics:

Non-directed orders as percentage of total customer orders	99%
Market orders as percentage of total non-directed orders	20.65%

Limit orders as percentage of total non-directed orders	21.51%
Other orders as percentage of total non-directed orders	57.84%

Venues Receiving Significant Percentage of Total Non-Directed Orders:

1. UBS Securities LLC	96.54%
2. New York Stock Exchange	2.10%
3. Nasdaq	0.43%

UBS Securities LLC is a market maker in listed securities. UBS Securities LLC stands to share in 100% of the profit or loss generated by its market making activities.

Orders that are received in securities for which UBS Securities LLC is a market maker may be executed through one of its market making desks/trading engines, except for orders from discretionary or managed accounts (of affiliates of UBS Securities LLC) which the firm routes as agent to other market makers for execution. Orders received in securities for which UBS Securities LLC is not a market maker are similarly routed to other market makers.

UBS Securities LLC may receive remuneration for order flow in listed and over-the-counter securities from various market centers, usually in the form of rebates for providing orders to those market venues. Any remuneration is generally offset by fees paid by UBS Securities LLC to those market centers for accessing orders or for other services provided by the market centers. However, due to variations among the market centers, UBS may receive a net payment from a given market center. Any net payments are retained by UBS Securities LLC and are utilized to reduce its overall expenses in providing services to you.

Information Concerning Significant Venues:

1. UBS Securities LLC

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	96.43%
Limit orders as percentage of total limit orders	90.09%
Other orders as percentage of total other orders	98.97%

2. New York Stock Exchange

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	1.36%
Limit orders as percentage of total limit orders	6.60%
Other orders as percentage of total other orders	0.68%

3. Nasdaq

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	0.75%
Limit orders as percentage of total limit orders	1.18%
Other orders as percentage of total other orders	0.04%

2. Securities Listed on the Nasdaq Stock Market

Summary Statistics:

Non-directed orders as percentage of total customer orders	99%
Market orders as percentage of total non-directed orders	21.38%
Limit orders as percentage of total non-directed orders	27.95%
Other orders as percentage of total non-directed orders	50.66%

Venues Receiving Significant Percentage of Total Non-Directed Orders:

Routing Destination	% of all Nasdaq Non-Directed	Market orders as percentage of total market orders	Limit orders as percentage of total limit orders	Other orders as percentage of total other orders
UBS Securities LLC	98.11%	98.07%	95.47%	99.58%
Nasdaq	1.21%	0.72%	3.15%	0.35%
NYSEArca	0.25%	0.45%	0.55%	0.00%

UBS Securities LLC operates a Nasdaq market-making desk and receives significant institutional order flow and some smaller sized order flow through its affiliates. UBS Securities LLC stands to share in 100% of the profit or loss generated by its Nasdaq market making desk when trading as principal with its customer's orders.

Orders that are received in securities for which UBS Securities LLC is a market maker may be executed through one of its market making desks/trading engines, except for orders from discretionary or managed accounts (of affiliates of UBS Securities LLC) which the firm routes as agent to other market makers for execution. Orders received in securities for which UBS Securities LLC is not a market maker are similarly routed to other market makers.

UBS Securities LLC may receive remuneration for order flow in listed and over-the-counter securities from various market centers, usually in the form of rebates for providing orders to those market venues. Any remuneration is generally offset by fees paid by UBS Securities LLC to those market centers for accessing orders or for other services provided by the market centers. However, due to variations among the market centers, UBS may receive a net payment from a given market center. Any net payments

are retained by UBS Securities LLC and are utilized to reduce its overall expenses in providing services to you.

3. Securities Listed on American Stock Exchange or Regional Exchanges

A substantial majority of U.S. customer orders routed to UBS Securities LLC in American Stock Exchange-listed securities or Regionally Listed securities originate from institutional investors or other broker dealers and may include orders for program trades.

Summary Statistics:

Non-directed orders as percentage of total customer orders	99%
Market orders as percentage of total non-directed orders	32.41%
Limit orders as percentage of total non-directed orders	27.98%
Other orders as percentage of total non-directed orders	39.59%

Venues Receiving Significant Percentage of Total Non-Directed Orders:

1.	UBS Securities LLC	97.32%
2.	Knight Capital Markets	0.84%
3.	NYSEArca	0.53%

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Information Concerning Significant Venues:

1. UBS Securities LLC

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	96.72%
Limit orders as percentage of total limit orders	97.14%
Other orders as percentage of total other orders	97.93%

2. Knight Capital Markets

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	0.76%
Limit orders as percentage of total limit orders	0.69%
Other orders as percentage of total other orders	1.02%

3. NYSEArca

Types of Orders Routed to Venue:

Market orders as percentage of total market orders	0.85%
Limit orders as percentage of total limit orders	0.56%
Other orders as percentage of total other orders	0.24%

4. Exchange-Listed Options

Summary Statistics:

Non-directed orders as percentage of total customer orders	99.84%
Market orders as percentage of total non-directed orders	12.74%
Limit orders as percentage of total non-directed orders	83.47%
Other orders as percentage of total non-directed orders	3.78%

Venues Receiving Significant Percentage of Total Non-Directed Orders:

1. Chicago Board Options Exchange	42.20%
2. Philadelphia Stock Exchange	28.45%
3. International Securities Exchange	17.02%
4. NYSEArca	8.46%
5. Boston Options Exchange	2.80%

UBS Securities LLC is a primary market maker, competitive market maker, and an electronic access member of the International Securities Exchange. UBS is also a remote streaming quote trader on the Philadelphia Stock Exchange, a remote market maker on the Chicago Board Options Exchange, NYSEArca, and the Boston Options Exchange. UBS Securities LLC may make a profit or lose money while fulfilling these obligations as a market participant on the ISE, CBOE, PHLX, NYSEArca or Boston Options Exchange. Orders sent to one or more of these exchanges may be preferenced to the UBS Securities Market Maker. UBS receives payment for order flow from exchanges, specialists and market makers executing options orders routed by UBS. The amount of the payment for any quarter fluctuates depending upon various factors, including the number of option contracts routed by UBS and the amount of payment for order flow received

from exchanges, specialists and market makers. During the 1st Quarter of 2008, the estimated amount received by UBS was approximately \$0.35 per contract.

Information Concerning Significant Venues:

1. Chicago Board Options Exchange
Types of Orders Routed to Venue:

Market orders as percentage of total market orders	41.52%
Limit orders as percentage of total limit orders	42.30%
Other orders as percentage of total other orders	43.00%

2. Philadelphia Stock Exchange
Types of Orders Routed to Venue:

Market orders as percentage of total market orders	26.53%
Limit orders as percentage of total limit orders	28.81%
Other orders as percentage of total other orders	27.18%

3. International Securities Exchange
Types of Orders Routed to Venue:

Market orders as percentage of total market orders	18.09%
Limit orders as percentage of total limit orders	16.51%
Other orders as percentage of total other orders	28.22%

4. NYSEArca
Types of Orders Routed to Venue:

Market orders as percentage of total market orders	9.76%
Limit orders as percentage of total limit orders	8.59%
Other orders as percentage of total other orders	1.43%

5. Boston Options Exchange
Types of Orders Routed to Venue:

Market orders as percentage of total market orders	3.02%
Limit orders as percentage of total limit orders	2.89%
Other orders as percentage of total other orders	0.00%

