

**Notice to Entities Acting as Agents on Behalf of Customers with Respect
to Bunched Swap Orders**

The purpose of this notice is to inform you that when UBS AG agrees to enter into a bunched Swap order with you as agent on behalf of your customers, we will do so on the condition that you will allocate such bunched Swap order only:

- (a) to your non-U.S. Person customers for which we have received a representation or other confirmation satisfactory to us that that they are not a U.S. Person;
- (b) to your U.S. Person customers for which we have received a representation or other confirmation satisfactory to us that they are a U.S. Person and who (x) have adhered to the ISDA August 2012 DF Protocol Agreement published by the International Swaps and Derivatives Association, Inc. (**ISDA**) on August 13, 2012 (the **August 2012 DF Protocol Agreement**) and exchanged the questionnaire related thereto (the **August 2012 DF Questionnaire**) with us (or entered into equivalent bilateral documentation with us) and (y) have adhered to the ISDA March 2013 DF Protocol Agreement published by ISDA on March 22, 2013 (the **March 2013 DF Protocol Agreement**) and exchanged the questionnaire related thereto (the **March 2013 DF Questionnaire**) with us (or entered into equivalent bilateral documentation with us); or
- (c) to your Guaranteed Affiliate¹ and Affiliate Conduit² customers for which we have received a representation or other confirmation satisfactory to us that they are a Guaranteed Affiliate or Affiliate Conduit and who have adhered to the ISDA March 2013 DF Protocol Agreement published by ISDA on March 22, 2013 (the **March 2013 DF Protocol Agreement**) and exchanged the questionnaire related thereto (the **March 2013 DF Questionnaire**) with us (or entered into equivalent bilateral documentation with us)

In addition, allocation to these customers will be permitted only if those customers

- (i) to the best of your knowledge, opened a Swap trading account with us;
- (ii) entered into an ISDA Master Agreement or other written agreement with us that will govern the terms and conditions of the relevant post-allocation Swap(s); and
- (iii) are non-US Person customers that are neither Guaranteed Affiliates nor Affiliate Conduits, if the bunched swap order would have been subject to the CFTC's mandatory swap execution requirement had it been executed with a US Person, Guaranteed Affiliate, or Affiliate Conduit, and the bunched swap order was not executed on a SEF or DCM.

In the event that you allocate a bunched Swap order (or portion of a bunched Swap order) to a customer other than as described above, we will require you to use your best efforts in cooperation with us to:

¹ As defined in the CFTC's "Interpretive Guidance and Policy Statement Regarding Compliance With Certain Swap Regulations", 78 FR 45292.

² As defined in the CFTC's "Interpretive Guidance and Policy Statement Regarding Compliance With Certain Swap Regulations", 78 FR 45292.

- (i) in a timely manner, reallocate such bunched Swap order (or portion of such bunched Swap order) to a customer in a manner that is consistent with the foregoing; and
- (ii) if such reallocation is not possible, remedy the prohibited allocation by any other mutually agreeable remedy that complies with applicable laws of the United States and rules, regulations, orders and written interpretations of US federal authorities.

For purposes of this notice, the term "Swap" shall have the meaning ascribed to it in the August 2012 DF Protocol Supplement.

For purposes of this notice, the term "U.S. Person" shall have the meaning set forth in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations (78 Fed. Reg. 45292, July 26, 2013) issued by the Commodity Futures Trading Commission (the **CFTC**), or, as applicable, in the Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants (85 Fed. Reg. 56924, Sept. 14, 2020), in either case, as amended, supplemented or modified from time to time by the CFTC.

Should you have any questions or concerns about the content of this communication or would like to discuss an alternative means of ensuring that bunched Swaps are allocated to eligible customer accounts, please contact your UBS representative.