



Disclosure statement supplement

Certificates of deposit

This supplement should be read in conjunction with the Disclosure Statement for *Certificates of Deposit* Held at UBS and your trade confirmation.

UBS Financial Services Inc. ("UBS") periodically offers our clients the opportunity to purchase Certificates of Deposit ("CDs") issued by our affiliated bank, UBS Bank USA ("Bank USA"), a member of the Federal Deposit Insurance Corporation ("FDIC"). Minimum and maximum investment amounts may be established.

Bank USA CD Deposit Insurance

Your deposits at Bank USA, including your Bank USA CDs, are eligible for FDIC deposit insurance in an amount up to \$250,000 (including principal and accrued interest) for each insurable ownership capacity in which you hold the deposits. Your CDs will be aggregated with your other deposit balances at Bank USA, including deposit balances in UBS Bank USA Core Savings and through the UBS Bank Sweep Programs and the UBS FDIC-insured Deposit Program, for purposes of FDIC insurance coverage.

You are responsible for monitoring the total amount of your deposits, including CDs, at Bank USA in order to determine the extent of FDIC deposit insurance coverage. You are also responsible for reviewing the financial condition of Bank USA to determine if Bank USA CDs are appropriate for you. For more information, please visit ffiec.gov/ubpr.htm.

FDIC deposit insurance only covers the failure of an insured bank. UBS is not an FDIC-insured bank. Certain conditions must be satisfied for pass-through deposit insurance coverage to apply to clients' funds placed by UBS at FDIC-insured banks. In the unlikely event that Bank USA becomes insolvent, UBS is not responsible for any uninsured deposits.

You should carefully review the section in your Disclosure Statement for *Certificates of Deposit* Held at UBS entitled "Deposit Insurance" for more information about FDIC insurance.

Crediting at Maturity; UBS Bank USA Core Savings

Your Bank USA CDs will mature on the date indicated on the trade confirmation. If eligible, the proceeds of your Bank USA CD will be automatically deposited into UBS Bank USA Core Savings at maturity ("rollover"). UBS Bank USA Core Savings is a deposit account at Bank USA that is eligible for FDIC deposit insurance up to applicable limits. You can opt out of this rollover at any time prior to maturity, or withdraw your deposit balances from UBS Bank USA Core Savings at any time after maturity, by contacting your Financial Advisor. This section modifies the "Terms of CDs" section of the Disclosure Statement for Certificates of Deposit Held at UBS.

Please carefully review the UBS Bank USA Core Savings Disclosure Statement, which we provide to you if your Bank USA CD is eligible for the rollover into UBS Bank USA Core Savings. It is also available at ubs.com/coresavingsdisclosure.pdf or by contacting your Financial Advisor.

UBS Bank USA Core Savings is not intended for clients who need to have frequent access to their funds. UBS Financial Services Inc. will charge you a fee of \$25 for each withdrawal that you make from UBS Bank USA Core Savings in excess of five (5) withdrawals in a calendar month. You may incur a withdrawal fee, even if the withdrawal is involuntary such as if a withdrawal is made by UBS Financial Services Inc. to meet a margin call.

Please contact your Financial Advisor if you have questions about your CDs.