

2016 Money Market Platform

Timeline and review of fund changes

UBS Asset Management (Americas) Inc. ("UBS AM") and its predecessors have managed money market funds for more than 35 years, offering client-focused liquidity management solutions throughout the world. To address our clients' needs in an era of evolving regulatory reform and industry changes, we are making changes to our money market fund platform, including the launch of new products. We intend to implement these changes over the course of the next several months and conclude them within the Security and Exchange Commission's (SEC) compliance period, which extends until October 14, 2016. In this update we provide a timeline and review of the changes.

Highlights of the changes to UBS AM's money market fund platform include:

- **The UBS Select Prime Funds:** With a largely institutional ('non-natural persons') shareholder base, the funds will adopt floating net asset value (FNAV) pricing by an October 2016 regulatory compliance deadline.
- **The UBS Prime Funds:** A recently launched family of retail prime money market funds that accept investments from retail investors ('natural persons') and seek to maintain a constant net asset value (CNAV) per share of \$1.00.
- **The UBS Select Tax-Free Funds:** Intend to qualify as 'retail money market funds' later in 2016 and will also undergo a name change. The funds will continue to seek to maintain a CNAV per share of \$1.00.
- **The UBS Select Treasury Funds:** Will continue to invest in US Treasury securities and related repurchase agreements. The funds accept investments from all investors ('natural' and 'non-natural persons') and continue to seek to maintain a CNAV per share of \$1.00.
- **The UBS Select Government Funds:** A new family of government money market funds that will be launched in 2016 to complement the existing UBS Select Treasury Funds. These new funds will accept investments from all investors ('natural' and 'non-natural persons') and seek to maintain a CNAV per share of \$1.00.
- **The UBS Investor Series:** The initial minimum investment requirement has been reduced to \$10,000 from \$100,000 to be more accessible to investors.
- **UBS AM's sweep money market funds:** Certain funds available via UBS Financial Services' automatic cash 'sweep platform' will close with investments to migrate into two new sweep government money market funds that will seek to maintain a CNAV per share of \$1.00.

UBS Select Prime Funds

The UBS Select Prime Funds below have a primarily institutional (e.g. non-natural persons) shareholder base and will adopt floating net asset value (FNAV) pricing. These funds will also be subject to the possibility of liquidity fees and/or gates on redemptions (under certain circumstances) as required by the SEC's rule amendments ("fees and/or gates").

Fund Name	Ticker	Summary of Changes	Effective Date
UBS Select Prime Preferred Fund	SPPXX	<ul style="list-style-type: none"> • Adopt FNAV pricing • Subject to fees and/or gates 	On or before October 14, 2016
UBS Select Prime Institutional Fund	SELXX	<ul style="list-style-type: none"> • Adopt FNAV pricing • Subject to fees and/or gates 	On or before October 14, 2016
UBS Select Prime Investor Fund	SPIXX	<ul style="list-style-type: none"> • Adopt FNAV pricing • Subject to fees and/or gates 	On or before October 14, 2016

UBS Prime Funds

UBS AM recently launched UBS Prime Funds, a new family of funds that are offered to natural persons. These funds intend to qualify as 'retail money market funds' under the SEC's amended rules and seek to maintain a CNAV per share of \$1.00. These funds have expense structures and minimum investment requirements similar to the UBS Select Prime Funds and will be subject to the possibility of fees and/or gates effective on or before October 14, 2016.

Fund Name	Ticker	Summary of Changes	Effective Date
UBS Prime Preferred Fund	UPPXX	<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016
UBS Prime Reserves Fund	UPRXX	<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016
UBS Prime Investor Fund	UPIXX	<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016

UBS Select Tax-Free Funds

The UBS Select Tax-Free Funds intend to qualify as 'retail money market funds' and seek to maintain a CNAV per share of \$1.00. The funds are anticipated to begin limiting subscriptions to natural persons by August 31, 2016. In connection with the designation as 'retail money market funds', the funds will undergo name changes by dropping 'Select' from their names. These funds will be subject to the possibility of fees and/or gates effective on or before October 14, 2016.

Fund Name	Ticker	Summary of Changes	Effective Date
UBS Select Tax-Free Preferred Fund	SFPXX	<ul style="list-style-type: none"> • Will limit investors to natural persons and have name revised to 'UBS Tax-Free Preferred Fund' 	On or before August 31, 2016
		<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016
UBS Select Tax Free Institutional Fund	STFXX	<ul style="list-style-type: none"> • Will limit investors to natural persons and have name revised to 'UBS Tax-Free Reserves Fund' 	On or before August 31, 2016
		<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016
UBS Select Tax-Free Investor Fund	SFRXX	<ul style="list-style-type: none"> • Will limit investors to natural persons and have name revised to 'UBS Tax-Free Investor Fund' 	On or before August 31, 2016
		<ul style="list-style-type: none"> • Subject to fees and/or gates 	On or before October 14, 2016

UBS Select Treasury Funds

UBS AM previously announced changes to its UBS Select Treasury Funds in June 2015, affirming that the funds intend to qualify as 'government money market funds' under the SEC's amended rules. The funds will continue to invest in US Treasury securities and related repurchase agreements.

Under the SEC's amended rules, these Treasury funds may maintain a CNAV per share of \$1.00 and **will not** be subject to fees and/or gates unless their board determines to provide advance notice to shareholders of a change in this policy. The funds will continue to be available as investment options to both natural persons and non-natural persons.

Fund Name	Ticker
UBS Select Treasury Preferred Fund	STPXX
UBS Select Treasury Institutional Fund	SETXX
UBS Select Treasury Investor Fund	STRXX

UBS Select Government Funds – New Family of Funds

UBS AM is planning to launch new UBS Select Government Funds in 2016 to expand its liquidity management platform and to complement the existing UBS Select Treasury Funds. The funds will be available to both natural persons and non-natural persons. Under the SEC's amended rules, these government money funds may maintain a CNAV per share of \$1.00 and **will not** be subject to fees and/or gates unless their board determines to provide advance notice to shareholders of a change in this policy.

The funds will seek to invest 99.5% or more of their total assets in cash, government securities (e.g. US Treasury and agency securities) and/or repurchase agreements collateralized solely by cash or government securities.

Fund Name	Ticker	Anticipated Launch Date
UBS Select Government Preferred Fund	SGPXX	May/June 2016
UBS Select Government Institutional Fund	SEGXX	May/June 2016
UBS Select Government Investor Fund	SGEXX	May/June 2016

Two additional new government funds that are launching are discussed further below.

UBS Investor Series – Reduction of Minimum Initial Investment

To make our funds more accessible to investors, UBS AM has reduced the initial minimum investment requirement to \$10,000 from \$100,000.

Fund Name	Ticker	New Minimum Investment
UBS Select Prime Investor Fund	SPIXX	\$10,000
UBS Select Tax-Free Investor Fund†	SFRXX	\$10,000
UBS Select Treasury Investor Fund	STRXX	\$10,000

† To be renamed UBS Tax-Free Investor Fund effective on or before August 31, 2016.

UBS Cash Sweep Platform Changes

To comply with the SEC's amended rules as well as to streamline investment options for fund shareholders, UBS AM is making several changes to the money market sweep funds offered on the UBS Financial Services (FS) automatic cash sweep platform.

In response to regulatory changes, certain funds will no longer be offered as part of the UBS FS sweep program, and existing shareholders will have their investments transferred to new government money market funds. Following the changes outlined below, the sweep money market fund platform will comprise four government money market funds. These funds will seek to maintain a CNAV per share of \$1.00 and **will not** be subject to fees and/or gates unless their boards provide advance notice to shareholders of a change in policy. The four government funds will be available as sweep fund investment options to both natural persons and non-natural persons. Details of the changes are as follows:

- The current RMA sweep funds and the UBS Retirement sweep fund will close, and client investments are to migrate into the new UBS RMA Government Money Market Fund (sweep fund) in June 2016. The new fund will replace the six sweep funds once migration is completed.
- UBS Select Prime Capital Fund and UBS Select Tax-Free Capital Fund will close, and client investments will migrate into the new UBS Select Government Capital Fund (sweep fund) in June 2016. The new fund will replace the two sweep funds once migration is completed.
- The Liquid Assets Fund will adopt a government money market fund investment policy (per SEC rule 2a-7 money market fund guidelines) and undergo a name change in April 2016.

Current Sweep Fund	Ticker	Summary of Changes	New Sweep Fund	Effective Date
UBS RMA Money Market Portfolio	RMAXX	<ul style="list-style-type: none"> • Investments will migrate into a new government money market sweep fund 	UBS RMA Government Money Market Fund (RMGXX)	June 2016
UBS RMA U.S. Government Portfolio	RUSXX			
UBS RMA Tax-Free Fund	RTFXX			
UBS RMA California Municipal Money Fund	RCAXX			
UBS RMA New York Municipal Money Fund	RNYXX			
UBS Retirement Fund	PWRXX			
UBS Select Prime Capital Fund	SPCXX	<ul style="list-style-type: none"> • Investments will migrate into a new government money market sweep fund 	UBS Select Government Capital Fund (SGPXX)	June 2016
UBS Select Tax-Free Capital Fund	STEXX			
UBS Liquid Assets Fund	N/A	<ul style="list-style-type: none"> • Fund will adopt government money market fund investment policy • New name 	UBS Liquid Assets Government Fund	April 2016
UBS Select Treasury Capital Fund	STCXX	<ul style="list-style-type: none"> • No change 	No change	N/A

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

Mutual funds are sold by prospectus. Investors should carefully read and consider a mutual fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other information about a mutual fund. To obtain a free prospectus, please call your Financial Advisor or write to: UBS Asset Management, 1285 Avenue of the Americas, New York, NY 10019. You can also contact UBS Asset Management at 888-793 8637 or visit www.ubs.com/usmoneymarketfundsholdings for a current prospectus.

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2016 Money Market Fund Platform

Investor guide

US Money Market Funds availability post SEC reform (Late October 2016)

		Ticker	Retail investor	Institutional investor	Gates ² / Fees	Investment minimum	Ratings (S&P/Moodys) ³
Prime Money Market Funds¹							
FNAV ⁴	UBS Select Prime Preferred Fund	SPPXX	x	x	x	\$99M	AAA/ Aaa-mf
	UBS Select Prime Institutional Fund	SELXX	x	x	x	\$1M	
	UBS Select Prime Investor Fund	SPIXX	x	x	x	\$10K	
CNAV ⁴ / Retail-only	UBS Prime Preferred Fund	UPPXX	x		x	\$50M	N/A
	UBS Prime Reserves Fund	UPRXX	x		x	\$1M	
	UBS Prime Investor Fund	UPIXX	x		x	\$10K	
Tax-Free Money Market Funds¹							
CNAV/ Retail-only	UBS Tax-Free Preferred Fund	SFPXX	x		x	\$50M	N/A
	UBS Tax-Free Reserves Fund	STFXX	x		x	\$1M	
	UBS Tax-Free Investor Fund	SFRXX	x		x	\$10K	
Government Money Market Funds¹							
CNAV	PACE Government Money Market Investments	PCEXX	x	x			N/A To be rated
	UBS Select Government Preferred Fund	SGPXX	x	x		\$50M	
	UBS Select Government Institutional Fund	SEGXX	x	x		\$1M	
	UBS Select Government Investor Fund	SGEXX	x	x		\$10K	
Treasury Money Market Funds¹							
CNAV	UBS Select Treasury Preferred Fund	STPXX	x	x		\$50M	AAA/ Aaa-mf
	UBS Select Treasury Institutional Fund	SETXX	x	x		\$1M	
	UBS Select Treasury Investor Fund	STRXX	x	x		\$10K	
Sweep Funds⁵							
	UBS RMA Government Money Market Fund	RMGXX	x	x			N/A
	UBS Select Government Capital Fund	SGKXX	x	x		Limited availability ⁶	
	UBS Select Treasury Capital Fund	STCXX	x	x		Limited availability ⁶	
	UBS Liquid Assets Government Fund	N/A	x	x			

Which funds are available to you?



Individual investor ► All funds are available



Institutional investor ►

UBS Select Prime Funds
 PACE Government Money Market Investments
 UBS Select Government Funds
 UBS Select Treasury Funds
 UBS RMA Government Money Market Fund
 UBS Liquid Assets Government Fund

¹ The information provided is for non-sweep funds.

² Gates refer to the temporary suspension of redemptions. Fees refer to the possible imposition of fund redemption fees under certain circumstances.

³ Some Funds carry a AAAm rating from Standard & Poor's, a division of the McGraw-Hill Companies, Inc., which reflects Standard & Poor's view of the Fund's credit quality, investment policies, market price exposure and management. The rating signifies extremely strong capacity to maintain principal stability and limit exposure to principal losses due to credit, market and/or liquidity risks. Further information regarding Standard & Poor's rating methodology may be found on its website at www.standardandpoors.com. Some Funds are rated Aaa-mf by Moody's, indicating its belief that the Fund has a very strong ability to meet the dual goals of providing liquidity and preserving capital. Further information regarding Moody's rating methodology may be found on its website at www.moody's.com.

⁴ FNAV refers to floating net asset value per share. CNAV refers to a fund seeking a constant net asset value per share.

⁵ Sweep funds refers to a money market fund that is available via UBS Financial Services' automatic cash sweep platform, where free cash balances of the client's brokerage account are regularly swept into the fund.

⁶ These funds have limited availability and are offered to investors satisfying criteria described in each fund's prospectus (e.g. "marketing relationship" assets of \$25 million or more; participation in certain advisory programs).

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. The Money Market Funds' prospectuses contain this and other information about the Funds and should be read carefully before investing. Contact the UBS Asset Management National Sales Desk at 888-793 8637, or visit www.ubs.com/usmoneymarketfundsholdings for a current prospectus.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

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