

Communications

P.O. Box, CH-8022 Zurich
Telephone +41 44 631 31 11
Fax +41 44 631 39 10

Zurich, 26 November 2008

SNB's special purpose vehicle for UBS assets to be domiciled in Switzerland

SNB StabFund limited partnership for collective investments is incorporated in Berne

The special purpose vehicle (SPV) set up by the Swiss National Bank (SNB) for the realisation of illiquid UBS assets will be domiciled in Berne. Thanks to the support of the authorities of the Swiss Confederation and the canton of Berne, the SNB has succeeded in drawing up a solution comparable with the structure originally planned for the Cayman Islands within a very short period of time. The company, *SNB StabFund limited partnership for collective investments*, is incorporated as a limited partnership for collective investments and has received the requisite authorisation from the Swiss Federal Banking Commission.

The special purpose vehicle will acquire UBS assets up to a maximum amount of USD 60 billion at prices as per 30 September 2008, based either on the book value or a value determined by the SNB on the basis of independent opinions. The lower value will apply. The transfer of the assets to the special purpose vehicle is scheduled to be completed by the end of March 2009. UBS will be managing the assets of the special purpose vehicle until further notice.

The limited partnership for collective capital investments is a corporate structure that was introduced in 2006, when the Federal Act on Collective Investment Schemes came into effect. The *SNB StabFund limited partnership for collective investments* is structured as a two-party limited partnership. It consists of a general partner who bears unlimited liability and will also be managing the SPV, and a partner with limited liability. Both of these will be wholly owned by the SNB.

As planned, the SPV will be funded by UBS with equity in the amount of 10% of the purchase price of the assets, i.e. with a maximum of USD 6 billion. It has been possible to streamline the original transaction structure. UBS is injecting a maximum of USD 6 billion of equity capital by acquiring an option to purchase the special purpose vehicle after the

26 November 2008

2

SNB loan has been repaid in full. The agreement that the SNB will receive profits of USD 1 billion plus 50% of any remaining equity after full repayment of the loan is still valid.

The Board of Directors of the unlimited liability partner responsible for management is headed by Thomas Jordan, Member of the SNB Governing Board. Additional SNB members are Dewet Moser, Alternate Member of the Governing Board, and Hans Kuhn, Head of Legal Services. UBS is represented on the Board of Directors by John Cryan, Chief Financial Officer, and Philip Lofts, Chief Risk Officer. PriceWaterhouseCoopers (PwC), who also serve as auditors of the SNB, have been appointed as auditors.

Press release