UBS

UBS Institutional Consulting Group

Customized solutions that help address your organization's unique needs

The UBS Institutional Consulting Group offers guidance centered on your needs from experienced Institutional Consulting teams that are part of one of the world's leading wealth management firms.[1] In our consulting role, we are driven to provide objective advice and creative strategies to address complex situations. You'll benefit from our vast global resources—including our intellectual capital and thought leadership.

The experience you need to guide your organization’s investment decisions

Complexity demands more than customized solutions

The world of investing is continually changing. And whether you’re charged with successfully managing a corporate pension fund, 401(k), endowment or foundation, the challenges you face are particular to your organization.

The UBS Institutional Consulting Group offers hands-on guidance from an experienced, dedicated consulting team that leverages the resources and thought leadership of UBS. We provide an advisory service offering that is tailored to your needs, including investment manager searches and technological support—all delivered by someone who knows you and understands the issues you face.

Through our discretionary and non-discretionary consulting offerings, we provide a full range of services designed around your investment management needs. As your fiduciary partner, we have the experience and bring a structured approach to helping you find the best path to pursue your objectives.

UBS Institutional Consulting Group—our process

Institutional Consulting Client

Asset Allocation Modeling
- Asset allocation analysis
- Overall portfolio design
- Active vs. passive management

Investment Policy Planning Assistance
- Assess current situation
- Risk/reward profile
- Assistance with Investment Policy development and review

Ongoing Consulting and Performance Measurement
- In-depth portfolio and manager review and analysis
- Strategic and tactical rebalancing
- Committee education

Manager and Investment Strategy Identification
- Investment manager and strategy
  – Search
  – Identification
  – Implementation
- Cost analysis

Delivering the individualized attention you deserve from credentialed and experienced consultants

When you work with the UBS Institutional Consulting Group, you can be confident that you'll have the support of seasoned professionals who understand the challenges of running a large institutional investment program. We provide comprehensive advisory services and retirement plan solutions to more than 1,200 institutions totaling more than $131.0 billion[2] under advisement.

Standards of excellence
We hold ourselves to strict accreditation requirements. UBS Institutional Consultants are required to have a Certified Investment Management Analyst℠ (CIMA®), or a Chartered Financial Analyst® (CFA®) credential, in addition to Series 7 and 65 securities registrations. Our Institutional Consultants average more than 27 years[3] of financial services experience, which means we have encountered virtually every kind of economic environment.

Armed with sophisticated analytical tools, insightful research and a deep understanding of where you want to go, we can advise you on strategic adjustments designed to prudently grow your assets and navigate periods of uncertainty.

By your side for the long term
We see our mission as providing superior service to clients. We are available to provide resources to support you and give you the attention you deserve, whether it's a regularly scheduled portfolio review, a special board meeting or an unexpected turn of events that demands attention.

Our Institutional Consultants take ownership of our relationship with you. Your individual Institutional Consulting team provides the depth of resources and experience to provide consistent and continuous support throughout your relationship with us.

The support of seasoned Institutional Consultants, all required to meet strict accreditation requirements.

Our promise: objective advice and a higher level of service

Our focus
With each and every one of our clients, we focus on providing high standards of service. From the outset of our relationship, we carefully define and formally document our role including the extent of our fiduciary status for the contracted consulting services.

Moreover, the UBS Institutional Consulting Group is part of UBS Financial Services Inc., which benefits from the resources of UBS AG, one of the world's largest financial services firms.

We will acknowledge in writing the extent of our fiduciary responsibility with respect to the contracted advisory services we provide to you.

We know the importance you place on your fiduciary responsibilities, and we understand the challenges you face. Whether it's regular investment review, administrative upkeep, or participant education, we can help.

The freedom of open architecture
Our investment platform allows us to make unbiased recommendations that are focused on your interests. We utilize the experience and expertise of investment professionals at UBS to research all investment options we recommend and perform ongoing due diligence. We will not recommend proprietary investment products that may present a conflict of interest in our advice.

Neither the UBS Institutional Consulting Group nor any of the members of our Institutional Consulting teams receives fees or compensation from investment managers or mutual funds in connection with the services provided under a UBS Institutional Consulting Group Agreement. The fees we receive are solely those paid by our clients for services contracted.

A disciplined process adapted to your needs
We believe a thoughtful and tailored investment process is paramount in order to pursue your investment goals.

We know that no two investment plans are ever the same, so we employ a customized process from beginning to end. Our disciplined approach starts with taking the time to thoroughly understand the needs of your organization, the unique circumstances that define your objectives and any pertinent information about your own decision-making process.

We work with you to carefully consider how we can best add value and enhance the workings of your own internal processes. We are committed to providing you with a combination of analytical and reporting tools, investment expertise, products and services that help position you to best pursue your goals.

A robust infrastructure—resources and processes to support your investment management needs

The UBS Institutional Consulting Group leverages the technology and resources of UBS and third-party research sources to provide you with support for your investment management needs, including modeling and portfolio evaluation tools, market research, manager search databases, and innovative investment and reporting solutions.

Asset Allocation Modeling and Strategic Rebalancing
We help you evaluate different paths to your goals using portfolio optimization models and the economic forecasts and proprietary capital market assumptions developed by UBS.

Using the parameters identified in your Investment Policy Statement, we compare expected risk, return and correlation across the major traditional asset classes—and alternatives, if appropriate. From this we can develop an asset allocation strategy designed to provide greater potential for growth results or adjust your risk exposure.

We can also assist you in structuring your portfolio to help address your particular needs. Because of varying performance across different asset classes, we recommend revisiting portfolio allocations periodically and rebalancing, when necessary, to maintain the appropriate risk/return profile.

Investment Policy Planning and Review
A clearly defined Investment Policy is vital to any well-executed investment program. Without one, it's difficult to analyze performance or identify what types of managers should be hired to pursue your goals. It should be a living document that's reviewed regularly and amended when necessary.

If you don't already have an Investment Policy Statement, we can help you create one based on your particular needs and circumstances. We'll help you specify your goals and objectives, and set parameters for the appropriate investment vehicles, asset allocation strategies and performance benchmarks based on your risk/return requirements.

We help you evaluate different paths to your goals.

Manager and Investment Strategy Identification

Using a variety of metrics, we can help evaluate the style purity and risk profile of your current investment managers relative to peers and asset class benchmarks.

In identifying specific managers to implement your strategy, we use a proprietary multistep process in collaboration with the UBS Investment Manager Research Group to screen prospective managers. We also supplement these results with independent manager databases.

We perform these services not only on traditional asset investment strategies, but also on a broad range of alternative strategies.

Prospective candidates are screened for a variety of quantitative and qualitative characteristics including relative performance, manager tenure and assets under management; as well as investment philosophy and process, risk management and style adherence.

Prior to being identified, managers must pass a rigorous due diligence test, and they must continue to meet the required criteria to remain in good standing.

Portfolio Review and Performance Evaluation

Sound portfolio construction is crucial for maintaining an optimal potential for appreciation relative to the level of risk inherent in your portfolio. We help evaluate the efficiency of your portfolio relative to your long- and short-term goals.

Monitoring portfolio and investment performance is a critical component of investment strategy oversight. We evaluate the results of your portfolio as well as each individual manager's contribution to performance—both relative and absolute.

Using detailed performance data and graphics, we'll review your results at least quarterly and together determine whether strategy or manager changes are warranted. If appropriate, we can offer objective recommendations for adjusting the focus and types of investments held in your portfolio.

Proactive performance-driven consulting

We offer comprehensive consulting services to a wide range of institutional clients. Whether your organization answers ultimately to a board of directors, corporate shareholders, employees, taxpayers or trustees, we can provide knowledge and experience adapted to the mission, objectives and unique culture of your organization.

Every member of our teams is focused on being responsive, proactive and results-driven. We do our best to anticipate your needs and provide innovative solutions to the issues you face.

Education toward improved results
Well-informed decision makers make better decisions. We are available for staff training and board meetings. We view every meeting as an opportunity for ongoing communication on a wide variety of topics, including investment performance, asset allocation and capital market updates.

We leverage expertise and intellectual capital of UBS Wealth Management Research and other sources, to provide access and insight on the global and domestic economic outlook as well as in-depth analyses of capital market trends.

Every meeting is an opportunity for ongoing communication.

Additional services and clients we serve

Additional services
We also provide a number of additional consulting services, including:

- Asset/liability analysis
- Expense analysis
- Benchmarking
- Assistance with foundation and endowment spending policies
- Performance attribution analysis of existing portfolio structure
- Identification of custodial services
- Plan vendor search
- Trustee education
- Defined Contribution plan services:
  - Employee education and communication
  - Assistance in fund identification
  - Fund performance monitoring
  - Identification of third-party administrators or recordkeepers
  - Fee analysis
  - Plan benchmarking

Although we do not provide tax or legal advice, we can coordinate our services with other firms you may have retained for accounting, legal or administrative support. This adds greater assurance that all the different components of your plan work together efficiently and effectively.

UBS Institutional Consulting Group offers a full range of services to:

- Corporations
- Public and private retirement plans
- State and local governments
- Hospitals and healthcare systems
- Colleges and universities
- Insurance companies
- Faith—based organizations
- Native American Tribes
- Foundations and endowments
- Taft-Hartley plans
- Associations and other not-for-profit organizations

Institutional Consulting backed by a global leader

Our Institutional Consultants are among the most highly credentialed and experienced in the industry. In addition, UBS Financial Services Inc. is a part of with UBS AG, one of the world's leading wealth management firms, with a 150-year heritage.

The firm has a presence in 50 countries and significant operations in all of the world's major financial centers.

UBS serves a diverse client base, including individuals, corporations, institutions and governments. Our primary mission remains focused on providing superior advice and wealth management to help all clients realize their vision of financial success.

Our relationship with you

Our work ethic is simple and powerful. It is based on the value of collaboration. We work side by side with our clients, taking the time to understand your needs and goals. This deep understanding, combined with the resources and thought leadership of UBS, lays the foundation for our relationship with you.

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[1] Source: *Euromoney*, 2017. The Best Global Wealth Manager Award was determined and awarded by the *Euromoney* editorial team. The *Euromoney* Awards for Excellence were established in 1992 and are the global benchmarks for the banking industry. These annual awards cover more than 20 global product categories, best-in-class awards in all regions and the best banks in close to 100 countries around the world. UBS did not pay a fee in exchange for the award.
[2] As of December 31, 2017; Institutional and Retirement Plan Consulting programs.
[3] As of 12/31/2017.

Wealth management services in the United States are provided by UBS Financial Services Inc., a registered broker-dealer offering securities, trading, brokerage and related products and services. It is important that you understand the ways in which we conduct business and the applicable laws and regulations that govern us. As a firm providing wealth management services to clients in the U.S., we are registered with the U.S. Securities and Exchange Commission (SEC) as an investment adviser and a broker-dealer, offering both investment advisory and brokerage services. Though there are similarities among these services, the investment advisory programs and brokerage accounts we offer are separate and distinct, differ in material ways and are governed by different laws and separate contracts. It is important that you carefully read the agreements and disclosures that we provide to you about the products or services we offer. While we strive to ensure the nature of our services is clear in the materials we publish, if at any time you seek clarification on the nature of your accounts or the services you receive, please speak with your Institutional Consultant. For more information, please visit our website at **ubs.com/workingwithus.** UBS Institutional Consulting Services are investment advisory services and clients should carefully read the UBS Institutional Consulting ADV Disclosure Document for important information regarding our consulting services, including fees and scope of services, before entering into a Consulting Services Agreement.

Fiduciary status under the Investment Advisers Act is different from fiduciary status under ERISA or the Internal Revenue Code. While in our investment advisory programs, we act as a fiduciary under the Investment Advisers Act; we do not act as a fiduciary under ERISA or the Internal Revenue Code unless we expressly agree to do so in writing.

Credentials, designations and registrations do not evaluate the quality of services provided to clients and is not indicative of future performance. Neither FINRA, the SEC, nor any other federal or state regulator approves or endorses any professional credential, designation, or registration.

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