

UBS Equity Compensation Plan Services

Corporate Employee Financial Services

28. Oktober 2008

About UBS

Providing Share Plan Administration Solutions Since 1993

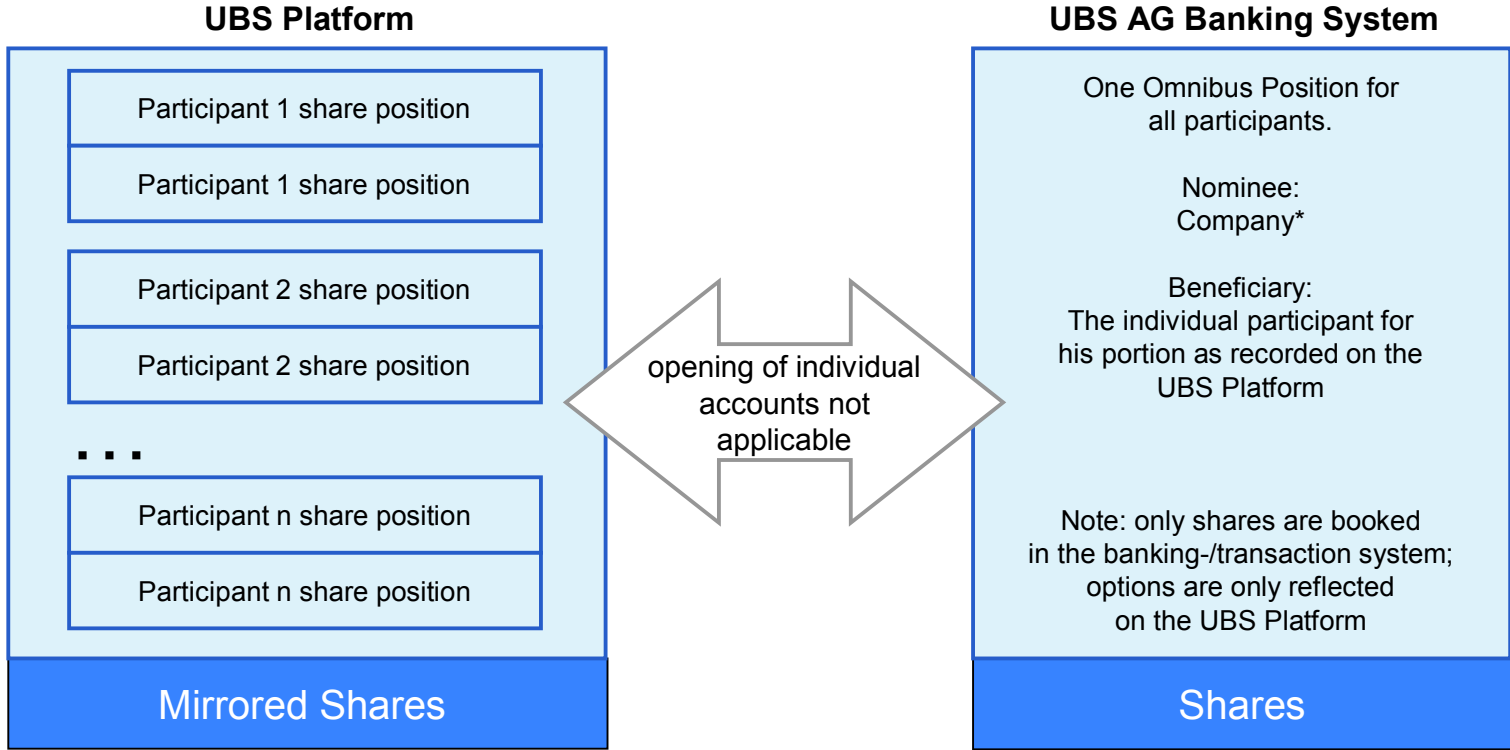
- ◆ UBS – A Global Firm:
 - EUR 1.8 trillion invested assets
 - Over 78'000 employees
- ◆ UBS – A Global Issuer:
 - Over 45'000 participants in more than 35 Equity based incentive plans
 - Multiple Listings (Zurich, New York and Tokyo)
- ◆ UBS – A Global Service Provider:
 - Serving more than 170 global corporations
 - With over 1'300'000 plan participants across 100 countries



UBS Solution

Simplified Account Structure

- ◆ All participant positions are held on an individual level in the UBS EU application
- ◆ Share positions are also reflected in an Omnibus account within the UBS banking system



*Note: Existing trust setup for certain countries can be integrated into the process

UBS Solution

Banking Services

- ◆ Individual Trust Agreements not mandatory if included in the plan rules
- ◆ Participant Statements available online (year to date / year-end statements incl. historical statements, Trade Confirmations)
- ◆ 3 Alternatives for Dividend Processing (incl. "Dividend Payment Confirmation") :
 - Cash payment via Payroll to participants for further distribution
 - Cash payment to participants account
 - Reinvestment process (resulting in fractional shares)
- ◆ German Tax at source
- ◆ MiFID ("Markets in Financial Instruments Directive") compliance
- ◆ Event Monitoring (e.g. notify participants of upcoming enrolment period or election window, proxy voting, AGM etc.)

EquatPlus ESPP Process Support and Options

Employee Share Purchase Plan (ESPP)

- ◆ Underlying share
- ◆ Contribution amount
- ◆ Contribution limit
- ◆ Enrolment / frequency
- ◆ Purchase cycle
- ◆ Participant benefit / company match
- ◆ Holding period
- ◆ Tax withholding
- ◆ Distribution
- ◆ Number of countries
- ◆ Historic Data

EquatePlus ESPP Process Support and Options

Price Entry / Purchase

Once the contribution closed and FX done, the total contributed amount will be added together into a purchase amount (including rolled over residual amount, if applicable).

◆ Cash Defined Plans:

- Fractional shares
- UBS CEFS trades with UBS trading and enters purchase price
- Purchase fees: invoiced to company
- The residual cash for the overall purchase be carried over for next purchase cycle
- Market purchase settles against the cash received

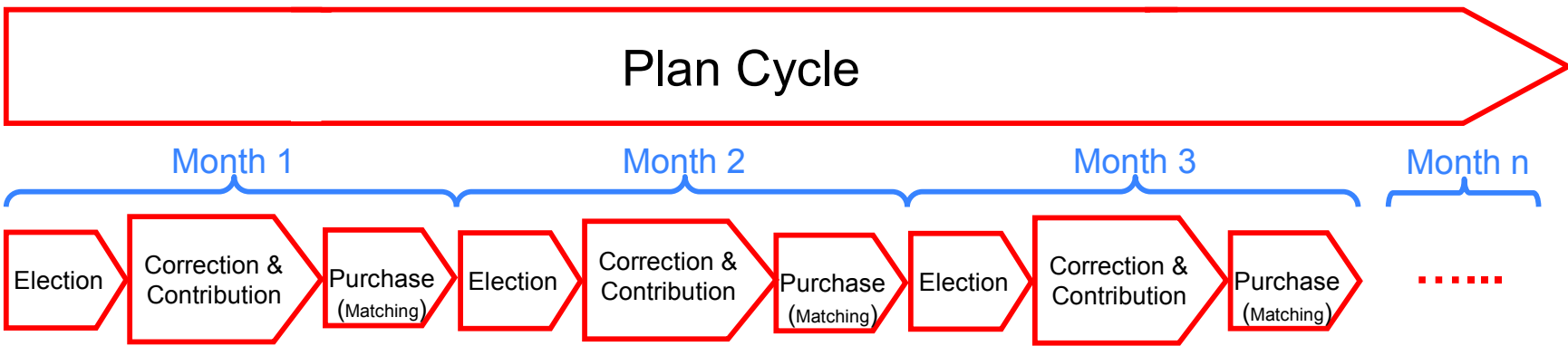
◆ Share Defined Plans:

- Whole shares
- Number of shares and price are already in EquatePlus
- Administrator triggers the "price entry"
- The Company is responsible to submit shares
- Shares paid by money submitted by payrolls

EquatePlus ESPP Process Support and Options

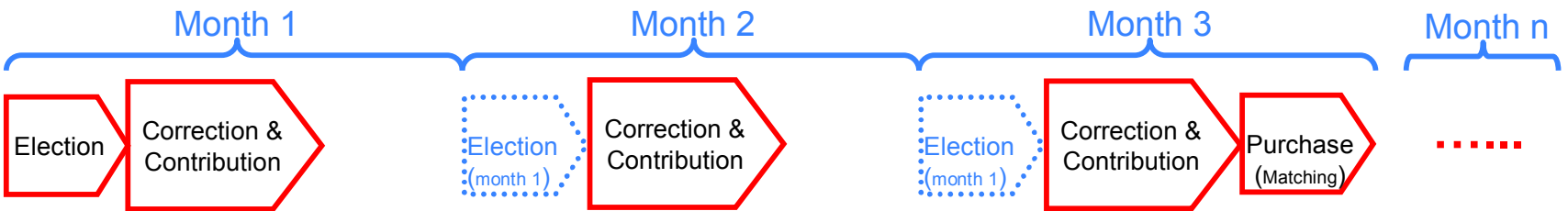
Supported models examples:

- One election (or rollover) - one contribution - one purchase
- One election - multiple contributions - one purchase



Example 1: Annual cycle

- Monthly election: participant elects cash or shares
- Monthly contributions: elected (cash election) or calculated (share election) purchase amount
- Monthly purchases



Example 2: Annual cycle

- Quarterly election (monthly amount for the next 3 months) participant elects cash or shares
- Monthly contributions: elected (cash election) or calculated (share election) purchase amount
- Quarterly purchases

EquatePlus ESPP Process Support and Options

Flexible Distribution Of Withholdings & Proceeds

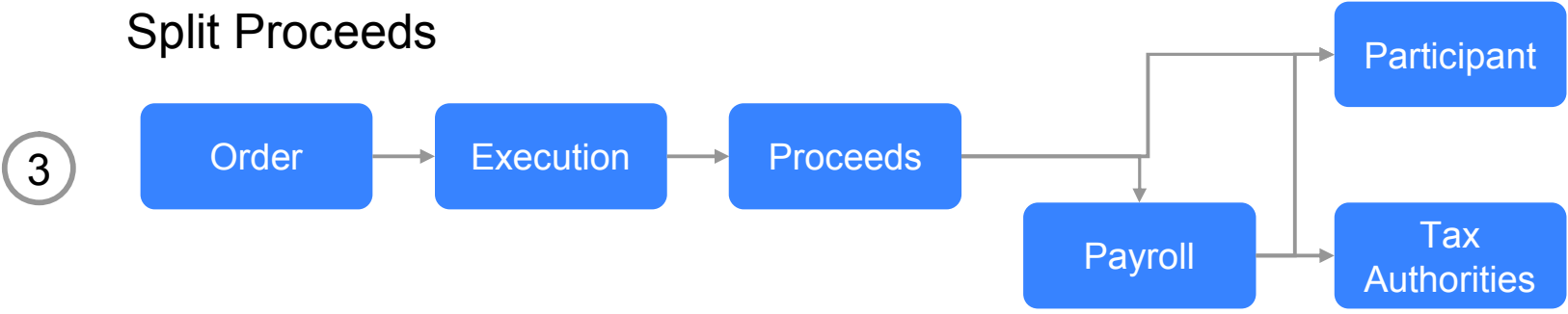
Proceeds to Participant



Proceeds to Payroll



Split Proceeds



EquatePlus ESPP Process Support and Options

Distribution in EquatePlus

- ◆ Transfer or Sell Shares
- ◆ Straight through to Market
- ◆ Limit Orders vs. Market Orders
- ◆ Definition of Black-Out Periods/Trading Windows
- ◆ Transaction result preview and confirmation
- ◆ Automated tax withholding on transaction proceeds
- ◆ Proceeds transferred directly to participant and tax to Payroll

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