

Trading Technology

June 9, 2008



URGENT – IMMEDIATE ACTION REQUIRED

ATTENTION: Chief Operations Officers/Managing Partners/Operations Managers/Data Processing Managers and P&S Managers of Member Organizations/OCS Users

SUBJECT: Comparison processing for UBS AG Rights as Cash

PT 145

The Rights for UBS AG (listed security symbol UBSRT, CUSIP H8929J150) are trading Cash Only on Monday June 9. Cash transactions can be entered into OCS by accessing the “Add” screen and placing a “CA” indicator in the Trade Type field. Cash trades can also be entered into OCS via MQ submission by entering “CA” in the Trade Type field (positions 103-105).

Clearing members may display the details of Cash trades on the OCS. After the contra party has indicated its acceptance of the trade, both parties to the trade should produce a paper copy of the screen and retain for their records. This printed copy will stand in place of physically stamping written forms and exchanging written contracts as required by Exchange Rules. If the trade details are not correct, and therefore “DK’d”, they should be resolved on the same business day and subject to the comparison requirements of Rules 130 and 132.

- OCS will forward compared Cash transactions to the Clearing Corporation to be reflected on the contract output. These trades must be settled between parties to the trades for non-CNS eligible securities.
- Clearing Firms may not enter Cash trades with any Omnibus account as contra party. Specialists may not “match” a Cash trade with any NYSE Omnibus account
- Comparison Submission for Cash Trades should be made into OCS within a half-an-hour of the time of execution, similar to Regular Way Trades.
- Only round-lot executions should be submitted to OCS. Odd-lots and odd-lot portions of PRLs will be locked-in against the specialist clearing firm.
- OCS will display the Cash (“CA”) indicator throughout the system (screen and reports).

Clearing Corporation:

UBS AG Rights are non-CNS eligible. Clearing Firms will receive contract output from NSCC (product id 02013036 – MRO, 02010168 – print-image) designated as a “Z” non-settling trade. Details of Cash Settlement are contained in DTCC Important Notice A6461/P&S6031, dated May 29, 2007.

It is important to note that Exchange rules require “Same day” delivery of securities in transactions made for “cash”.

Sample OCS Screens for Cash Trades

OCS Add Screen

```

NYSE      EQUITY SYSTEM T-DATE      ADD SCREEN                06/09/08    09:43
                                                USER-NAME: TEST
MAJOR-FIRM:AAA   TRADE-DATE: 06 09 08

      B
LN  S QUANTITY  SYMBOL      ----PRICE----  CNTR EXEC CNTR EXEC A ENTR      S C
001 B 10000____ UBSRT_____  1.35_____  ZZZ_ 1111 2222 1000 A _____ CA _ _ _
002 _ _____
003 _ _____
004 _ _____
005 _ _____
006 _ _____
  
```

PLEASE FILL IN DATA.

"LN" FIELD: TO REPEAT, ENTER "C" WITH NUMBER OF LINES TO COPY, E.G. "C07"
 TO DELETE, ENTER "D" ON LINE(S) TO BE DELETED.

PF KEYS: ENTER=EDIT PF1=UPDATE PF2=SCROLL CLEAR=CANCEL/REFRESH PF12=MENU

OCS Uncompared Screen

```

NYSE      EQUITY-SYSTEM  T-DATE UNCOMPARED / ADVISORIES 06/09/08    09:47
                                                USER-NAME: TEST
MAJOR-FIRM: AAA      TRADE-DATE: 06 09 08      BUY/SELL: -
SYMBOL: -----      PRICE: -----      CONTRA-FIRM: -----

LN S      B
NO C I DK S QUANTITY  SYMBOL      PRICE      CNTR CNTR MAJR S CA      EXEC A
** * * ** * TRD-DATE: 06/06/08  TOP OF DATA  ***** ***** ***** * ***  ***** *
U02      S      9800 UBSRT      1.35      ZZZ 1111 2222  CA      1332 A
U03      S      25000 UBSRT      1.35      ZZZ 1111 2222  CA      1334 A
U04      S      32500 UBSRT      1.35      ZZZ 1111 2222  CA      1023 A
**      * ** * ***** ***** END OF DATA  ***** ***** ***** * ***  ***** *
  
```

SEL COD: C=CHG D=DEL I=INHB R=RVRS S=STMP K=DK-ADV N=KNOWS Z=PX-CHG ENTER=EDIT
 PF-KEYS: PF1-UPDATE PF2-SCROLL PF7=BKWD PF8=FWD PF12=MENU CLEAR=CANCEL/REFRESH

Any questions regarding this circular should be forwarded to John Schwarzbeck (212) 656-5462 or Larry Moreno (212) 656-4648.