

UBS AG

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Zurich, 10 September 2009

Reference no. 0999-99999999

NOTICE TO UBS ACCOUNTHOLDERS

We have been informed that the U.S. Internal Revenue Service ("IRS") has submitted a request for administrative assistance to the Swiss Federal Tax Administration (the "SFTA"), pursuant to Article 26 of the 1996 Convention Between the United States of America and the Swiss Confederation for the Avoidance of Double Taxation with Respect to Taxes on Income (the "1996 Convention"). The IRS is seeking information with regard to accounts of certain U.S. persons owned either directly or through an offshore company that are or have been maintained with UBS AG ("UBS") in Switzerland ("IRS Treaty Request").

This letter provides notice to you that your account with UBS appears to be within the scope of the IRS Treaty Request. This letter also provides certain information on the treaty process and the steps available to you in connection with that process, which are as follows:

- Appoint an agent in Switzerland to receive official notifications by the SFTA. In case information exchange is granted by the SFTA, this may – subject to your judicial appeal rights -- ultimately result in the submission of your account documents from the SFTA to the IRS, and the loss of the opportunity to participate in the IRS Voluntary Disclosure Program
- Consent to UBS's sending information directly to the IRS
- Consent to the SFTA's sending information directly to the IRS
- Consent to the IRS's sharing FBAR forms or other specified tax compliance-related documentation with the SFTA
- Participate in the IRS's voluntary disclosure program, which enables you to become compliant, avoid substantial civil penalties and generally eliminates the risk of criminal prosecution.

UBS encourages you to promptly consult with a U.S. qualified tax advisor to determine the appropriate course of action. Should you not react to this letter, your account will stay in the Treaty Process.

Should you have any questions, please consult the UBS website at www.ubs.com, call our team of dedicated advisors in UBS at **+41 44 237 56 10** or the SFTA helpline at **+41 31 322 71 06** (reference: AHUSA).



1. Appointment of an agent in Switzerland. In connection with the IRS Treaty Request, the SFTA has issued an order directing UBS to submit responsive account information to the SFTA. This order is published at www.efd.admin.ch. It is immediately executable, and UBS as an information holder has no right to appeal. If the SFTA were to make a determination that information relating to your UBS account is required to be provided to the IRS pursuant to the 1996 Convention, the SFTA would make available to the IRS information and records relating to your account with UBS.

If you wish to follow this process, the SFTA requests that you appoint a person authorized to receive notifications in Switzerland concerning these matters and to inform the SFTA of the person you have appointed and his/her address in Switzerland. Within **20 days** of the receipt of this notification, please send this information to:

Swiss Federal Tax Administration
Department for International Affairs
AHUSA
Eigerstrasse 65
CH-3003 Bern, Switzerland.

It is important that you indicate the above Master Reference Number in all correspondence and / or communication so as to allow the proper handling. Should you have further questions, you can contact the Swiss Federal Tax Administration at **+41 31 322 71 06** and ask for the Task Force IRS Treaty Request / AHUSA.

If needed, you may obtain assistance in identifying a person who could serve as your agent in Switzerland and, if desired, advise on Swiss legal matters, by going to the website of the Swiss Bar Association at www.swisslawyers.com. You can also contact the

Swiss Bar Association
Marktgasse 4
CH-3001 Bern, Switzerland

Telephone +41 31 313 06 15 (helpline)
infousa@swisslawyers.com

The Swiss Bar Association will refer you to lawyers with the appropriate specialization.

Should you not appoint an agent within 20 days of this notice, the SFTA will appoint the following law firm as your agent for the service of process and direct all correspondence and orders to it:

Bill, Isenegger, Ackermann AG
Rechtsanwälte, Attorneys at Law
Witikonstrasse 61
P.O. Box
CH-8032 Zürich, Switzerland

Telephone +41 44 386 88 88
E-Mail: bia@bialaw.ch

Obligations in respect of any appeal of an SFTA order governing your account. If the SFTA were to authorize the providing of information concerning your UBS account to the IRS pursuant to the 1996 Convention, the SFTA would notify your agent in Switzerland and the SFTA also would advise your agent that you would have a right under Swiss law to appeal such a decision by the SFTA to the Swiss Federal Administrative Court. It is important to note that if you choose to

appeal such a decision, you should be aware that Title 18 United States Code Section 3506, which in Section 3506(a) provides generally that "any national or resident of the United States who submits, or causes to be submitted, a pleading or other document to a court or other authority in opposition to an official request for evidence of an offense shall serve such pleading or other document on the Attorney General [of the United States] at the time such pleading or other document is submitted." UBS urges you to consult with a qualified lawyer concerning whether to appeal any such decision of the SFTA and concerning any obligations you may have under Section 3506 of Title 18 of the United States Code should you choose to appeal such SFTA decision.

Please be advised that we are not able to provide any information on whether or not information with respect to a specific account will be provided to the IRS before the overall process has been concluded.

2. Consent to disclosure through Form of Instruction Letter to UBS. Alternatively, you may give us your consent and instruct us to provide to the IRS on your behalf information relating to your account ("account information") that is responsive to the IRS Treaty Request. If you would like to give this consent and instruct us accordingly, please sign the enclosed Form of Instruction Letter and return it to us in the enclosed prepaid envelope.

We do not express any views as to whether provision of such account information would be treated by the IRS as a voluntary disclosure and recommend that you consult with a qualified U.S. tax lawyer should you have questions.

If you would like to give this consent, please include the account number on your consent and please note the following:

- If you hold or held the account together with one or more other person(s), all persons should sign the consent. Power of attorney holders are generally not authorized to sign this specific document.
 - If you hold or held more than one account, please provide a separate form for each account. Should you require additional forms, you can find and download them from our website at http://www.ubs.com/1/e/index/crossborder/instr_info.html.
 - If you have changed your name, for example, by marriage, please provide documentation of such name change.
 - If you hold or held this account through an offshore company, please have those who are authorized to act on behalf of the company (directors or other signatories) sign the Instruction Letter.
 - If the account holder is deceased, please submit valid inheritance documents and the contact details of the executor.
 - Please do not alter or amend the form.
3. Consent to transmission of information by the SFTA. If you prefer that the SFTA directly send your account information to the IRS, you can authorize the SFTA to do so by sending a consenting letter to the SFTA in accordance with Art. 20i of the Swiss ordinance to the 1996 convention. You can find a standard letter for this authorization at www.efd.admin.ch. The appropriate authorization can be sent to the SFTA at the address indicated above. The SFTA will obtain account information from UBS and transmit such account information to the IRS. By providing this consent, this will conclude the Treaty Process for your account.
 4. Consent to sharing of IRS information. If you have filed FBAR forms or other relevant tax compliance documentation with the United States Government with respect to your UBS account, you may also provide the SFTA with your consent to request from the IRS information on your



5. FBAR filings or other specified documentation concerning your tax compliance with respect to your UBS account. To do so, please send permission for such a request to the SFTA at the address indicated above. Here, too, a standard form can be found at www.efd.admin.ch. The SFTA will then directly approach the IRS.
6. IRS Voluntary Disclosure Practice. The IRS has a longstanding voluntary disclosure practice to encourage U.S. taxpayers to bring themselves voluntarily into full compliance with the U.S. tax laws. Making voluntary disclosure enables taxpayers to become compliant, avoid substantial civil penalties and generally eliminates the risk of criminal prosecution. As part of this voluntary disclosure practice, on March 23, 2009, the IRS announced a penalty framework applicable to voluntary disclosure requests regarding unreported offshore accounts and entities. This initiative offers greater certainty regarding the applicable penalty structure and is designed to encourage U.S. taxpayers with offshore assets to take advantage of the IRS's voluntary disclosure practice.

The IRS has announced that this new initiative will be in place for six months, ending on September 23, 2009. As a general matter, in order to take advantage of the IRS's voluntary disclosure practice (including the penalty framework described above), a U.S. taxpayer must make a voluntary disclosure to the IRS before the IRS identifies the taxpayer's potential non-compliance with U.S. tax laws based on the IRS Treaty Request, or through a civil examination, criminal investigation or other means.

Under the terms of the voluntary disclosure initiative, as explained by the IRS in subsequent guidance, there is still an opportunity for you to make a voluntary disclosure, but that opportunity will be lost upon the provision of your account data to the IRS in response to the Treaty Request. Accordingly, if you are considering making a voluntary disclosure, it is important for you to do so now. The IRS has stated that a voluntary disclosure will be considered timely as soon as a taxpayer identifies himself and expresses an intent to disclose, even if the taxpayer has not yet completed amended or delinquent returns. For details and further information on this offshore voluntary disclosure practice or the more general voluntary disclosure practice, please visit the IRS website, including at: <http://www.irs.gov/newsroom/article/0,,id=210027,00.html>.

Upon request, UBS will provide you with account information that you may need in order to make a voluntary disclosure free of charge. Please indicate that you require the documents for the voluntary disclosure and send your request to the address indicated on the enclosed prepaid envelope so that we can process it expeditiously. However, as stated above, you do not need these documents to initiate the voluntary disclosure process.

UBS encourages you to promptly consult with a qualified U.S. tax advisor regarding your account and, if appropriate, to consider taking advantage of the IRS's voluntary disclosure practice. If you do not take action in response to this notice, your account information may be turned over in the course of the treaty process and, according to published IRS guidance, your opportunity to participate in the voluntary disclosure process will be lost.

Sincerely yours,

UBS AG



Christoph Kurth
Managing Director



Britta Delmas
Executive Director

IRS John Doe summons served on UBS AG on 8 July 2008

Name

Address

Zip code / City

Country

I/We refer to the John Doe Summons issued by the U.S Internal Revenue Service (IRS) and served on UBS AG on 8 July 2008 (the 'John Doe Summons').

With the John Doe Summons, the IRS requests UBS AG to produce account records for the period 1 January 2002 through the date of compliance with the John Doe Summons, relating to accounts held by UBS AG for United States taxpayers as account holders, signatories or otherwise for their account, and for which no IRS Form W-9 had been provided by the United States taxpayer to UBS AG.

I/We understand that account records include, amongst other things,

- a) documents identifying the United States taxpayer;
- b) documents pertaining to foreign entities established or operated on behalf of such United States taxpayer;
- c) account opening documents;
- d) account statements and transaction confirmations, account summaries, records of wire transfers (collectively the 'Account Records').

I/We herewith declare and confirm that I am/we are willing to cooperate with the IRS and to disclose to the IRS, to the extent requested by the IRS, all relevant information relating to the account(s) held by UBS AG, under the Master Number printed above, in my/our name(s) (the 'Account(s)'). I/We also confirm that I/we have consulted with specialized counsel; and that I am/we are aware of the consequences that these instructions could have.

I/We herewith instruct and authorize you to disclose to the IRS, on my/our behalf, any and all Account Records in your possession relating to the Account(s), as is or may be requested by the IRS. With this instruction, I/we hereby waive protections provided under bank secrecy laws of Switzerland.

I/We further instruct you to follow these instructions until revoked by me/us explicitly and in writing.

Please send a copy of all Account Records delivered to the IRS to the above address.

Place/Date

Signature / Print Name

Place/Date

Signature / Print Name

For internal bank use only

Signature(s) verified/Signed in my presence

OU-Ref.

Signature _____



Return to

UBS AG

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CH-8098 Zurich
Switzerland

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