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FILER

UBS RELATIONSHIP FUNDS

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As filed with the U.S. Securities and Exchange Commission on May 2, 2005

File No. 811-9036

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form N-1A

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940 /X/

Amendment No. 25 /X/

UBS Relationship Funds
(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

One North Wacker Drive
Chicago, Illinois 60606
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

(312) 525-7100
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Mark F. Kemper, Esq.
UBS Global Asset Management (Americas) Inc.
One North Wacker Drive
Chicago, Illinois 60606
(NAME AND ADDRESS OF AGENT FOR SERVICE OF PROCESS)

Please Send Copy of Communications to:

Bruce G. Leto, Esq.
Stradley, Ronon, Stevens & Young, LLP
2600 One Commerce Square
Philadelphia, Pennsylvania 19103

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS All Country World Ex US Equity Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income.

PERFORMANCE BENCHMARK	Morgan Stanley Capital International (MSCI) All Country World Ex USA (Free) Index ("MSCI All Country Index"). The MSCI All Country Index is an unmanaged free float-adjusted market capitalization-weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding U.S. equities. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund will principally invest in equity securities of issuers outside of the United States in both developed and emerging markets.
WHERE THE FUND INVESTS	The Fund maintains an international portfolio by investing in issuers located throughout the world. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of non-U.S. corporations. The Fund may invest in equity securities of issuers in any capitalization range based on market conditions and in accordance with its investment objective.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this style, the Advisor generally purchases for the Fund securities contained in the Fund's benchmark index, the MSCI All Country Index. The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The stock markets where the Fund's investments are principally traded go down. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
SPECIAL RISK OF SMALL AND MID-CAPITALIZATION ISSUERS	- Securities of small capitalization companies, and to a lesser extent mid-capitalization companies, present greater risks than securities of larger, more established companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
FOREIGN COUNTRY AND EMERGING MARKET RISKS	The values of the Fund's foreign and emerging market investments may go down or be very volatile because of: - A decline in the value of foreign currencies

relative to the U.S. dollar.
- Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms.
- Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.

The risks described above are more severe for securities of issuers in emerging market countries than for other foreign investments.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall

	more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include dividend-paying securities, common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts. The Fund also may invest in equity participation notes on permissible equity securities, provided that the notes are unleveraged and the counterparties are limited to financial institutions rated at least A1 by Standard & Poor's Ratings Group or P1 by Moody's Investors Service, Inc. The Fund may invest in issuers of any size.

MANAGEMENT OF CURRENCY EXPOSURE

The Fund's allocation among different currencies will be identical to that of its benchmark index if the Advisor believes that global currency markets are fairly priced relative to each other and associated risks. However, the Fund may actively depart from this normal currency allocation when, based on the Advisor's research, the Advisor believes that currency prices deviate from their fundamental values. As described below, the Fund may use derivatives to manage its currency exposure.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; foreign forward currency contracts or forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, the Fund may invest its assets in emerging market investments by purchasing shares of UBS Emerging Markets Equity Relationship Fund.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had

approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.23% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Thomas Madsen is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Madsen has access to certain members of the International Equity investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Madsen, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Madsen is provided below.

THOMAS MADSEN is the Global Head of Equities at UBS Global Asset Management. Mr. Madsen has been a Managing Director of UBS Global Asset Management since February, 2000 and a portfolio manager of the Fund since inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

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DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers,

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investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

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The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this

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policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS CORPORATE BOND RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Corporate Bond Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Seeks maximum total return, consisting of current income and capital appreciation.
PERFORMANCE BENCHMARK	Lehman Brothers Credit Index. The benchmark is an unmanaged index of investment grade fixed-rate debt issues. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in investment grade, U.S. dollar denominated debt obligations of U.S. and non-U.S. corporations. The Fund may invest up to 20% of its net assets in investment grade, U.S. dollar denominated obligations issued by the U.S. government or any of its agencies or instrumentalities; investment grade, U.S. dollar denominated obligations issued by supranational entities, foreign governments or foreign government related entities (including participations in loans between governments and financial institutions); asset-backed securities; or mortgage-backed securities. Depending on its assessment of market conditions, UBS Global Asset Management (Americas) Inc., the Fund's investment advisor (the "Advisor"), may choose to allocate the Fund's assets in any combination among these types of investments (subject to the 20% limitation noted above) or may choose not to invest in these types of investments. CREDIT QUALITY: The Fund invests in investment grade fixed income securities. MATURITY/DURATION: The Fund may invest in fixed income securities with an initial maturity of over one year. There is no limit on the maximum maturity or duration of the fixed income securities in which the Fund may invest.
PRINCIPAL STRATEGIES	The Advisor's investment style is focused on investment fundamentals. The Advisor believes that investment fundamentals determine and define investment value. Market prices tend to be more

volatile than fundamental value, and the Advisor seeks to identify and exploit these periodic differences.

The Advisor considers many factors, in addition to maturity and current yield, in the evaluation of fixed income securities, including: duration management, yield curve analysis, sector selection, security selection and asset allocation. The Advisor employs a top-down strategy, including duration targets and sector allocations incorporating macroeconomic input. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF FIXED INCOME INVESTMENTS

- If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

RISKS OF U.S. GOVERNMENT AGENCY OBLIGATIONS

Government agency obligations have different levels of credit support, and therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. government that are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present little credit risk. Other securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, such as securities issued by Federal Home Loan Banks, and securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk.

FOREIGN COUNTRY RISK

The risk that prices of the Fund's investments in foreign securities may go down because of unfavorable foreign government actions, political instability or the absence of accurate information about foreign issuers. Also, foreign securities are sometimes less liquid and harder to sell and to value than securities of U.S. issuers.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

The fixed income securities in which the Fund invests will include credit obligations issued by U.S. and non-U.S. corporations but may also include obligations issued by the U.S. government, its agencies or instrumentalities, U.S. dollar denominated obligations issued by supranational entities, foreign governments or foreign government related entities (including participations in loans between governments and financial institutions), asset-backed securities, or mortgage-backed securities. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- Corporate debt securities, including convertible securities and corporate commercial paper;
- Bills, notes, and bonds;
- Inflation index bonds issued by corporations;
- Structured notes, including hybrid or "indexed securities," catastrophe bonds, and loan participations;
- Delayed funding loans and revolving credit facilities;
- Bank certificates of deposit, fixed time deposits and bankers' acceptances;
- Repurchase agreements and reverse repurchase agreements;
- Debt securities issued by states or local governments and their agencies, authorities and other instrumentalities;
- Obligations of supranational entities, foreign governments and their subdivisions, agencies and instrumentalities;
- Mortgage-related and other asset-backed securities;
- Eurodollar securities;
- Brady bonds; and
- When-issued securities.

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CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization.
- They have received a comparable short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating. The Fund also may add to its position in securities of issuers held by the Fund that have been downgraded below investment grade since the Fund's initial purchase in order to maintain the Fund's position with regard to previous issuer allocation decisions. The Fund, however, will not add to its position in securities downgraded below investment grade if after such purchase more than 5% of the Fund's total assets would be invested in these lower-rated securities.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts to hedge against adverse changes in the market value of securities held by or to be bought for the Fund caused by changing interest rates or other market conditions.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security or index. Examples of derivative contracts are futures contracts, options, forward contracts, interest rate swaps, caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income

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securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.10% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio

managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your

entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities will be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the

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exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair

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value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the

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meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Defensive High Yield Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	The benchmark is a customized index consisting of a 70% weighting of the London 30 day U.S. dollar InterBank Bid Rate ("LIBID") plus 200 basis points and a 30% weighting of the Merrill Lynch High Yield Cash Pay Index (the "Index"). LIBID is the rate at which major international banks are willing to take deposits from other international banks. The Index is a broad-based index of high yield securities consisting of issues in the form of publicly-placed nonconvertible, coupon-bearing U.S. domestic debt carrying a term to maturity of at least one year. The benchmark has been designed to provide a representative indication of the performance of the defensive high yield market in the United States. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities that provide higher yields and are lower rated. High yield, lower rated fixed income securities are those rated below investment grade.
	CREDIT QUALITY: The Fund predominantly invests in below investment grade, high yield securities, including corporate fixed income securities that are commonly known as "junk bonds."
	MATURITY: Individual securities may be of any maturity.
	The Fund may invest in all types of fixed income securities of issuers from all countries, including emerging markets. These securities include fixed income securities issued by corporations, governments, governmental entities, entities organized to restructure outstanding emerging market debt and supranational entities such as the World Bank or the European Economic Community. These securities also include participations in loans between governments and financial institutions, and Brady Bonds. The Fund also invests in cash payment, zero coupon and pay-in-kind fixed income securities, and may invest in convertibles, preferred stock and common stock equivalents and in bank loans.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is based on the premise that inefficiencies exist within the high yield bond market that a fundamental value-based investment process can exploit. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These

price/value discrepancies are used as the building blocks for portfolio construction. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. To implement this style, the Advisor purchases securities for the Fund using active asset allocation strategies. Two asset classes that the Fund predominantly invests in are high yield securities and defensive high yield strategies.

The Advisor combines both a top-down and bottom-up analysis. The Advisor may invest in securities of any quality, including unrated securities. The Advisor believes that diversifying the Fund's portfolio by security type, industry, quality and maturity as opposed to investing in any one sector will better enable the Fund to control risk. The Advisor will consider investments across a wide spectrum of industries.

The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which securities to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental values. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

Fundamental analysis of a company's capital structure may identify relative mispricing of the company's securities. Defensive high yield investing strategies attempt to take advantage of these opportunities. Examples of such strategic opportunities include the following:

- Capital Structure Arbitrage: Two securities of a single issuer may be so mispriced relative to one another that superior returns can be achieved by selling short the overpriced security and buying the undervalued security. The risk associated with these positions may be moderate when compared with an outright long or short position.
- Low Volatility High Yield: From time to time, securities in the high yield market become available which offer attractive yields. However, due to features such as collateralization, sinking funds, monthly paydowns, short maturities or other characteristics of the issuer, these securities are relatively insensitive to interest rates and overall market movements. These securities, when carefully selected, can enhance the Fund's returns without significantly increasing volatility.
- "Yield-to-Call" High Yield: Most high yield bonds are callable prior to their final maturity date. Issuers may opportunistically refinance high-coupon bonds at the call date with lower cost debt. High yield bonds priced to the call date usually produce low volatility returns.
- Intra-Industry Bond Positions: If the ratings of Moody's Investors

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Service, Inc. or Standard & Poor's Ratings Group do not accurately reflect the credit quality of an issuer, its bonds may be relatively over or under priced. The Fund expects to take advantage of its credit research capabilities to short bonds of relatively overvalued securities and buy bonds of undervalued securities within the same industry.
- Bank Loans: The Fund may invest in bank loans through participations or assignments. Many high yield companies borrow through the bond market and the loan market. Typically the bank loan is a floating interest rate coupon structure and has senior creditor status; both features tend to reduce price volatility.

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for fixed income securities that provide both a high level of current income and the potential for capital appreciation due to a perceived improvement in the creditworthiness of the issuer. The Advisor also compiles and considers the following data to assess the issuer's future cash flows:

- Management strength
- Market position

- Competitive environment
- Financial flexibility
- Ability to deleverage
- Historical operating results

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

- The Advisor's judgments about the fundamental values of securities acquired by the Fund may prove to be incorrect.
- The Advisor's judgments about the allocation of the Fund's portfolio across industries, maturities or credit categories may prove to be incorrect.

RISKS OF HIGH YIELD/HIGHER RISK SECURITIES

- The Fund's investments in below investment grade securities may be considered speculative because they have a higher risk of default, tend to be less liquid, and may be more difficult to value.
- Changes in economic conditions or other circumstances may lead to a weakened capacity by an issuer to make principal and interest payments.
- Issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates.
- Prices of below investment grade securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions.

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- Below investment grade securities may become illiquid and hard to value in down markets.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- When interest rates are declining, the issuer of a security may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- As a result of rising interest rates, the average life of securities backed by debt obligations may be extended because of slower than expected principal payments. This will lock in a below-market interest rate and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKET RISKS

The values of the Fund's foreign and emerging market investments may go down or be very volatile because of unfavorable foreign government actions, political, economic or market instability or the absence of accurate information about foreign companies. This is known as foreign investing risk.

Also, a decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities denominated in those currencies. Foreign securities are sometimes less liquid and harder to value than securities of U.S. issuers. These risks are more severe for securities of issuers in emerging market countries.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

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MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund may have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and corporate bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- convertible securities
- preferred stock and trust certificates
- repurchase agreements
- bank loans

CREDIT QUALITY

Securities are below investment grade if, at the time of purchase:

- they are rated below the top four long-term rating categories of a nationally recognized statistical rating organization;
- they have received a comparable short-term or other rating; or
- they are unrated securities that the Advisor believes are of comparable quality.

FOREIGN SECURITIES

The Fund may invest in a broad range of securities of foreign issuers, including emerging market issuers. An emerging market is any country defined as an emerging or developing economy by the World Bank, International Finance Corporation or United Nations.

EQUITY SECURITIES

The Fund's investments in equity securities will occur primarily as a result of the purchase of unit offerings of fixed income securities which include equity components. The Fund may invest in equity securities of U.S. and non-U.S. issuers, including common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights and warrants.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

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- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings. For example, if the value of securities sold short by the Fund increases, the Fund will lose the opportunity to participate in the gain.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor manages the investment and reinvestment of the assets of the Fund. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Marianne Rossi is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Marianne Rossi has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research and or security selection. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Ms. Rossi, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Ms. Rossi is provided below.

MARIANNE ROSSI is a Managing Director in Fixed Income portfolio management at UBS Global Asset Management since April 2000. Ms. Rossi has been a Managing Director of UBS Global Asset Management since December 2000 and portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year

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are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of the Trust.

FEDERAL INCOME TAX

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the

Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction

of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the

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redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS EMERGING MARKETS DEBT RELATIONSHIP FUND
UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Emerging Markets Equity Relationship Fund and UBS Emerging Markets Debt Relationship Fund (the "Funds") issue beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. Each Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Funds. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of either Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Funds' shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

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<S>	<C> UBS EMERGING MARKETS DEBT RELATIONSHIP FUND	<C> UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND
INVESTMENT OBJECTIVE AND GOALS	To maximize total return, consisting of capital appreciation and current income, while controlling risk.	
PERFORMANCE BENCHMARK	J.P. Morgan Emerging Markets Bond Index Global. This benchmark tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans and Eurobonds.	Morgan Stanley Capital International Emerging Markets (Free) Index (MSCI-EMF). MSCI-EMF is a market capitalization weighted index which captures 60% of a country's total capitalization while maintaining the overall risk structure of the market.
	Although each benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as its benchmark.	
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in debt securities and derivative instruments related thereto that are tied economically to emerging market countries. Securities tied economically to emerging market countries include debt securities issued by governments, government-related entities (including participations in loans between governments and financial institutions), corporations and entities organized to restructure outstanding debt of issuers in emerging markets and instruments whose return is derived from any of the foregoing. The Fund may invest without limit in higher risk, below investment grade securities.	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities that are tied economically to emerging market countries. Securities tied economically to emerging market countries include securities on which the return is derived from issuers in emerging market countries, such as equity swap contracts and equity swap index contracts. The Fund may invest up to 20% of its net assets in the same types of securities that UBS Emerging Markets Debt Relationship Fund may purchase, including higher risk, below investment grade securities.

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<S>	<C> UBS EMERGING MARKETS DEBT RELATIONSHIP FUND	<C> UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND
	MATURITY: Individual securities may be of any maturity.	
WHERE THE FUNDS INVEST	In issuers located in at least three emerging market countries, which may be located in Asia, Europe, Latin America, Africa or the Middle East.	
WHAT IS AN EMERGING MARKET?	A country defined as an emerging or developing economy by any of the World Bank, the International Finance Corporation or the United Nations or its authorities. The countries included in this definition will change over time.	
WHAT IS AN EMERGING MARKET SECURITY?	A security issued by a government or other issuer that, in the opinion of the Funds' investment advisor, has one or more of the following characteristics: - The security's principal trading market is an emerging market. - At least 50% of the issuer's revenue is generated from goods produced or sold, investments made, or services performed in emerging market countries. At least 50% of the issuer's assets are located in emerging market countries.	
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Funds'	

investment advisor. The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction.

To implement this style, the Advisor purchases for each Fund those securities (generally contained in the Fund's benchmark) that appear to be underpriced relative to their fundamental values. The Advisor attempts to identify and exploit discrepancies between market price and fundamental value by analyzing investment fundamentals that determine future cash flows. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting individual securities for investment, the Advisor considers:
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UBS EMERGING MARKETS DEBT RELATIONSHIP FUND	UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND
- Current credit quality and possible credit upgrades or downgrades - Interest rate exposure - Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities	- A company's potential cash generation - Above average long-term earnings outlook - Expected sustainable return on investments - Expected sustainable growth rates - Stock prices versus a company's asset or franchise values

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in a Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of each Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by a Fund may prove to be incorrect.

RISKS OF EQUITY INVESTMENTS (UBS Emerging Markets Equity Relationship Fund only)

- The stock markets where investments are principally traded may go down, or go down more than the U.S. or other developed countries' markets.
- An adverse event, such as negative press reports about a company may depress the value of the company's stock.
- Securities of small capitalization companies present greater risks than securities of larger, more established companies.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in emerging market countries may vary, or rates may move faster than in the U.S. and other developed markets. If interest rates rise, the prices of fixed income securities may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the

security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKET RISKS	- The values of a Fund's foreign and emerging market investments may go down or be very volatile because of: - A decline in the value of foreign currencies relative to the U.S. dollar. - Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms. - Adverse governmental actions, such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt. - Political and social instability, war and civil unrest. - Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.
DERIVATIVES RISK	The risk that a Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Funds are non-diversified, which means that each Fund can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify each Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in a Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Funds may fluctuate.

MORE ABOUT THE FUNDS' INVESTMENTS

EQUITY SECURITIES

Equity securities, in which the UBS Emerging Markets Equity Relationship Fund may invest, include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts. The Emerging Markets Equity Relationship Fund may invest in equity participation notes on permissible equity securities, provided that the notes are unleveraged and the counterparties are limited to financial institutions rated at least A1 by Standard & Poor's

Ratings Group or P1 by Moody's Investors Service, Inc. The UBS Emerging Markets Equity Relationship Fund may invest in issuers at all capitalization levels.

FIXED INCOME SECURITIES

In selecting fixed income securities for each Fund's portfolio, the Advisor looks for securities that provide both a high level of current income and the potential for capital appreciation due to a perceived or actual improvement in the creditworthiness of the issuer. Each Fund may invest in all types of fixed income securities of issuers from all countries, including emerging markets. These include:

- Fixed income securities issued or guaranteed by governments, governmental agencies or instrumentalities and political subdivisions located in emerging market countries.
- Participations in loans between emerging market governments and

financial institutions.

- Fixed income securities issued by government owned, controlled or sponsored entities located in emerging market countries.
- Interests in entities organized and operated for the purpose of restructuring the investment characteristics of instruments issued by any of the above issuers.
- Brady Bonds.
- Fixed income securities issued by corporate issuers, banks and finance companies located in emerging market countries.
- Fixed income securities issued by supranational entities such as the World Bank. (A supranational entity is a bank, commission or company established or financially supported by the national governments of one or more countries to promote reconstruction or development.)

Fixed income securities purchased by a Fund may be denominated or have coupons payable in any currency and may be of any maturity or duration. Each Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay in kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- structured notes and leveraged derivative securities
- convertible securities
- zero coupon securities
- pay-in-kind and when-issued securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase and reverse repurchase agreements

The UBS Emerging Markets Equity Relationship Fund may invest up to 20% of its net assets and the UBS Emerging Markets Debt Relationship Fund may invest substantially all of its assets in U.S. and non-U.S. dollar denominated, fixed income securities that are higher risk, below investment grade securities rated by a nationally recognized statistical rating organization below its top four long-term rating categories or determined by the Advisor to be of comparable

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quality. Below investment grade securities are commonly known as "junk bonds." The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of these securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets.

MANAGEMENT OF CURRENCY EXPOSURE

Each Fund's allocation among different currencies will be identical to that of its benchmark index. However, each Fund may actively depart from this normal currency allocation when, based on the Advisor's research, the Advisor believes that currency prices deviate from their fundamental values. As described below, each Fund may use derivatives to manage its currency exposure.

DERIVATIVE CONTRACTS

Each Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, stock market prices or currency exchange rates, in the market value of securities held by or to be bought for a Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of a Fund's fixed income portfolio.

A derivative contract will obligate or entitle a Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts, if it is leveraged, can have a big impact on a portfolio's interest rate, stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. A Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make a Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

Each Fund may invest a portion of its assets in securities of other series offered by the Trust. Each Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

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DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, each Fund may depart from its principal investment strategies by taking temporary defensive positions. Each Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, a Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

Each Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if a Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap each Fund's total operating expenses at 0.50% of each Fund's average net assets. The Advisor may discontinue these expense limitations at any time.

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PORTFOLIO MANAGEMENT

Uwe Schillhorn is the lead portfolio manager for the UBS Emerging Markets Debt Relationship Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Schillhorn has access to certain members of the Emerging Market Debt investment management team, each of whom is allocated specific responsibilities for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the UBS Emerging Markets Debt Relationship Fund invests. Mr. Schillhorn, as lead portfolio manager and coordinator for management of the UBS Emerging Markets Debt Relationship Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Schillhorn is provided below.

UWE SCHILLHORN is the Head of Emerging Markets Debt at UBS Global Asset Management. Mr. Schillhorn has been an Executive Director of UBS Global Asset Management since 1997. Mr. Schillhorn has been the portfolio manager of UBS Emerging Markets Debt Relationship Fund since 1997.

Mr. Mehran Nakhjavani is the lead portfolio manager for the UBS Emerging Markets Equity Relationship Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Nakhjavani has access to certain members of the international equity investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the UBS Emerging Markets Equity Relationship Fund invests. Mr. Nakhjavani, as lead portfolio manager and coordinator for management of the UBS Emerging Markets Equity Relationship Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Nakhjavani is provided below.

MEHRAN NAKHJAVANI is a portfolio manager at UBS Global Asset Management. Mr. Nakhjavani has been an Executive Director of UBS Global Asset Management since 1998 and portfolio manager of the UBS Emerging Markets Equity Relationship Fund since inception.

The Part B for the Funds provides information about the Funds' portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public

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Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

Neither UBS Emerging Markets Equity Relationship Fund nor UBS Emerging Markets Debt Relationship Fund currently intends to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, neither Fund is subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of a Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on a Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from a Fund. In general, distributions of money by a Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. Neither Fund, however, currently intends to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of either Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in a Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in either Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in a Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that either Fund borrows money to acquire property or invests in assets that produce UBTI.

Neither Fund will be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Funds, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Funds are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in a Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of each Fund may be purchased directly by eligible Investors at the respective net asset value next determined after receipt of the order in proper form by the Trust plus the applicable transaction charge described below. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Funds.

At the discretion of a Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of a Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

TRANSACTION CHARGES

Investors in UBS Emerging Markets Equity Relationship Fund are subject to a transaction charge on all purchases equal to 0.75% of the net asset value of purchases of the Fund's shares. Investors in UBS Emerging Markets Equity Relationship Fund are also subject to a transaction charge upon redemption of the Fund's shares equal to 0.75% of the net asset value of the redeemed shares.

Investors in UBS Emerging Markets Debt Relationship Fund are subject to a transaction charge on all purchases equal to 0.50% of the net asset value of purchases of the Fund's shares. There is no transaction charge for redeeming shares of UBS Emerging Markets Debt Relationship Fund.

Shares of each Fund are sold at net asset value plus the applicable transaction charge. Redemption requests for UBS Emerging Markets Equity Relationship Fund are paid at net asset value less the transaction charge. The proceeds of the transaction charges are retained by the Funds to offset trading costs associated with purchases and redemptions.

Purchases of shares by other series of the Trust investing in UBS Emerging Markets Equity Relationship Fund or in UBS Emerging Markets Debt Relationship Fund are subject to a transaction charge as set forth above. Redemptions of shares owned by other series of the Trust investing in UBS Emerging Markets Equity Relationship Fund are not subject to a transaction charge. Purchases and redemptions made in-kind with securities are not subject to the transaction charge.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not

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been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of each Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. Each Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that a Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. Each Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests

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received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "Purchase of Securities Being Offered," the Funds' shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of either Fund without charge (except as noted below) on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests for UBS Emerging Markets Equity Relationship Fund are paid at net asset value less a transaction charge equal to 1.50% of the net asset value of the redeemed shares. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. Each Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If a Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the

Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such

circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS ENHANCED YIELD RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Enhanced Yield Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Salomon Smith Barney 1 Year Treasury Bill Rate. The Index consists of the last one-month Treasury Bill issue, and measures monthly return equivalents of yield averages that are not market-to-market. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.

PRINCIPAL INVESTMENTS	The Fund will normally invest at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities. CREDIT QUALITY: The Fund will invest only in investment grade securities and may invest in securities rated as low as BBB- at time of purchase (or, if unrated, deemed to be of equivalent quality). The Fund will maintain an average portfolio quality of A or better. MATURITY/DURATION: The Fund will normally have a maximum weighted average maturity of 5 years. The duration of the Fund will generally range from .5 to 2 times the duration of the Salomon Smith Barney 1 Year Treasury Bill Rate. As of March 31, 2004, the duration of the Salomon Smith Barney 1 Year Treasury Bill Rate was 0.99 years.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") uses an investment style that is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor seeks to enhance yield by identifying and exploiting periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. The Fund may invest in all types of fixed income securities of U.S. issuers. The Advisor emphasizes those fixed income market sectors and selects for the Fund those securities that appear to be most undervalued relative to their yields and potential risks. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes. In analyzing the relative attractiveness of sectors and securities, the Advisor considers: - Available yields - Potential for capital appreciation - Current credit quality as well as possible credit upgrades or downgrades - Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities - For mortgage-related and asset-backed securities, anticipated

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changes in average prepayment rates

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF FIXED INCOME INVESTMENTS	- U.S. interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk. - The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. This is known as credit risk. - As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk. - When interest rates are rising, the average life of securities backed by debt obligations is

extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

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MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund will be U.S. dollar denominated or have coupons payable in U.S. dollars. The Fund may invest in all types of fixed income securities of U.S. and non-U.S. issuers. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, variable rate, floating rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- collateralized mortgage-backed securities
- asset-backed securities
- leveraged derivative securities
- convertible securities
- when-issued securities
- repurchase agreements
- Eurodollar securities
- corporate securities
- securities issued by supra-national organizations and sovereign governments

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization.
- They have received an equivalent short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes caused by changing interest rates in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security or index. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate swaps; and caps, collars, floors and swaptions.

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Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

Although the Fund will not ordinarily invest in equity securities, it is permitted to invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series of the Trust only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of the Fund's assets in money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004.

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UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Michael Markowitz is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Markowitz has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Markowitz, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Markowitz is provided below.

MICHAEL MARKOWITZ is the Head of U.S. Short Duration Fixed Income and is a Managing Director at UBS Global Asset Management. Mr. Markowitz has been a Managing Director of UBS Global Asset Management since May 1994. Mr. Markowitz has been portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports,

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respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the

meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction

of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the

redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Global Aggregate Bond Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Lehman Brothers Global Aggregate Bond Index. The benchmark is a broad-based, market capitalization weighted index which measures the broad global markets for U.S. and non-U.S. corporate, government, governmental agency, supranational, mortgage-backed and asset-backed fixed income securities. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund maintains a global portfolio by investing in the fixed income securities of issuers located throughout the world. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities. The Fund may invest in fixed income securities issued by U.S. and non-U.S. governments, governmental agencies, corporations, and supranational entities, such as the World Bank. The Fund's investment in fixed income securities may include mortgaged-backed and asset-backed securities.
	CREDIT QUALITY: The Fund will purchase investment grade fixed income securities.
	MATURITY/DURATION: There is no limit on the minimum or maximum maturity or duration of the fixed income securities in which the Fund may invest.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc.'s (the "Advisor") investment style is focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define long term investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. In analyzing these price/value differences the Advisor also takes into account cyclical market drivers which may influence near term dynamics of market prices. The resulting investment signals are used to determine the relevant building blocks for portfolio construction.
	To implement this style, the Advisor purchases securities for the Fund by using active asset allocation strategies across global fixed income markets and active security selection within each market. The Fund can hold securities that are not included in its benchmark index. Thus, the relative weightings of different types of securities in the Fund's portfolio will not necessarily match those of the benchmark. In deciding which securities to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities

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that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

When determining fundamental value, the Advisor considers broadly based market data and indices that represent asset classes or markets and economic variables such as real interest rates, inflation and monetary policy. The valuation of asset classes reflects an integrated, fundamental analysis of global markets.

The Fund's allocation among different currencies will be identical to that of the benchmark index if the Advisor believes that global currency markets are fairly priced relative to each other and associated risks. However, the Fund may actively depart from this normal currency allocation when the Advisor deems it prudent to do so.

The Fund may invest in all types of fixed income securities of U.S. and foreign issuers. The Advisor emphasizes those fixed income market sectors and selects for the Fund those securities that appear to be most undervalued relative to their yields and potential risks. A stringent, research based approach to issuer selection helps the Advisor to identify the credit quality and relative attractiveness of individual issuers. The Advisor selects individual securities for investment by using duration, yield curve and sector analysis. In analyzing the relative attractiveness of sectors and securities, the Advisor considers:

- Duration.
- Yield.
- Potential for capital appreciation.
- Current credit quality as well as possible credit upgrades or downgrades.
- Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities.
- For mortgage-related and asset-backed securities, anticipated changes in average prepayment rates.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about asset or currency allocations or the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries where the Fund's investments are principally traded may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally,

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the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than higher-rated bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security exercises its right to prepay principal earlier than scheduled, requiring the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY RISKS

The values of the Fund's foreign investments may fluctuate or be very volatile because of:

- A decline in the value of foreign currencies relative to the U.S. dollar.
- Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms.
- Adverse governmental actions such as

nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay in kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- structured notes and leveraged derivative securities
- inflation indexed securities
- convertible securities
- zero coupon securities
- pay in kind and when-issued securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase agreements

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- they are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization;
- they have received a comparable short-term or other rating; or
- they are unrated securities that the Advisor believes are of comparable quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities

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and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0875% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports,

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respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One

North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the

meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $25,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as

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a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS GLOBAL SECURITIES RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Global Securities Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, without assuming undue risk, through a portfolio of U.S. and non-U.S. stocks and fixed income securities.
PERFORMANCE BENCHMARK	Global Securities Markets Index (GSMI). This benchmark is compiled by UBS Global Asset Management (Americas) Inc., the Fund's investment advisor (the "Advisor"), and is a composite of seven indexes compiled by independent data providers: Wilshire 5000 Index, MSCI World Ex USA (Free) Index, Citigroup Broad Investment Grade (BIG) Index, Citigroup WGBI Non-US Index, MSCI Emerging Markets Free Index, JP Morgan EMBI Global and Merrill Lynch High Yield Cash Pay Index, each representing a distinct asset class of the primary wealth-holding public securities markets. These asset classes are: U.S. equity, global (ex-U.S.) equity, U.S. fixed income, global (ex-U.S.) fixed income, emerging market equities, emerging market debt, high yield fixed income and cash equivalents. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund will principally invest in: - Equity securities of both U.S. and non-U.S. issuers. The Fund may invest in equity securities of issuers in any capitalization range based on market conditions and in accordance with its investment objective. - Fixed income securities issued by foreign and domestic governments, government-related entities, corporations and entities organized to restructure outstanding emerging market debt. These include participations in loans between governments and financial institutions and Brady Bonds. - Securities whose return is derived primarily from foreign instruments.
PRINCIPAL STRATEGIES	The Advisor's investment philosophy is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine the future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this philosophy, the Advisor purchases for the Fund securities (generally contained in the Fund's benchmark, the GSMI) by using active asset allocation strategies across global equity, fixed income and money markets and active security selection within each market. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment

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purposes. The Advisor chooses investments for the Fund by:

- Identifying ASSET CLASSES that appear to be temporarily underpriced.
- Analyzing the fundamental value of INDIVIDUAL SECURITIES in order to estimate their relative value and attractiveness, and to identify securities for investment that are underpriced relative to their fundamental value.
- Identifying and investing in currencies of developed countries that trade at well above or below their fundamental values.

Under normal market conditions, the Fund expects to allocate assets according to the following mix:

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ASSET CLASS	ASSET CLASS STRATEGY RANGES
<S>	<C>
U.S. Equities	10 to 70%
Global (Ex-U.S.) Equities	0 to 52%
Emerging Market Equities	0 to 13%
U.S. Fixed Income	0 to 51%
Global (Ex-U.S.) Fixed Income	0 to 39%
High Yield Fixed Income	0 to 13%
Emerging Market Debt	0 to 12%
Cash Equivalents	0 to 50%

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The "Asset Class Strategy Ranges" indicated above are the ranges within which the Fund expects to make its active asset allocations to specific asset classes. However, the Fund may exceed its strategy ranges under unusual market conditions and may change them in the future.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

- The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
- The Advisor's judgments about the Fund's asset allocation may prove to be incorrect.

RISKS OF EQUITY INVESTMENTS

- The stock markets where the Fund's investments are principally traded go down.
- An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.

SPECIAL RISKS OF SMALL AND MID-CAPITALIZATION

- Securities of small capitalization companies, and to a lesser extent mid-capitalization companies, present greater risks than securities of larger, more established companies. Smaller

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ISSUERS

companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries where the Fund's investments are principally traded may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit

rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.

- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- As a result of rising interest rates, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKET RISKS

The values of the Fund's foreign and emerging market investments may go down or be very volatile because of:

- A decline in the value of foreign currencies relative to the U.S. dollar.
- Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms.
- Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less

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effective governmental supervision.

The risks described above are more severe for securities of issuers in emerging market countries than for other foreign investments.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION

The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE

An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE

The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts. The Fund may invest in issuers at all capitalization levels.

FIXED INCOME SECURITIES

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for fixed income securities that provide both a high level of current income and the potential for capital appreciation due to a perceived improvement in the creditworthiness of the issuer. The Fund may invest in all types of fixed income securities of issuers from all countries, including emerging markets. These include:

- Fixed income securities issued or guaranteed by governments, governmental agencies or instrumentalities and political subdivisions.
- Participations in loans between governments and financial institutions.
- Fixed income securities issued by government owned, controlled or sponsored entities.
- Interests in entities organized and operated for the purpose of restructuring the investment characteristics of instruments issued by any of the above issuers.
- Brady Bonds.
- Fixed income securities issued by corporate issuers, banks and finance companies.
- Fixed income securities issued by supranational entities such as the World Bank or the European Economic Community. (A supranational entity is a bank, commission or company established or financially supported by the national governments of one or more countries to promote reconstruction or development.)

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Fixed income securities purchased by the Fund may be denominated or have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay in kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- structured notes and leveraged derivative securities
- convertible securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase agreements
- inflation indexed securities

CREDIT QUALITY

The Fund may invest in U.S. dollar denominated, fixed income securities of any quality, including fixed income securities that are lower rated, high yield securities rated by a rating organization below its top four long term rating categories or determined by the Advisor to be of equivalent quality. Below investment grade securities are commonly known as "junk bonds." The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of below investment grade securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets. The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

EMERGING MARKET SECURITIES

The Fund may invest in a broad range of equity and fixed income securities of foreign issuers, including emerging market issuers. An emerging market is any country defined as an emerging or developing economy by the World Bank, International Finance Corporation or United Nations.

MANAGEMENT OF CURRENCY EXPOSURE

The Fund's allocation among different currencies will be identical to that of the benchmark index if the Advisor believes that global currency markets are fairly priced relative to each other and associated risks. However, the Fund may actively depart from this normal currency allocation when, based on the Advisor's research, the Advisor believes that currency prices deviate from their fundamental values. As described below, the Fund may use derivatives to manage its currency exposure.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

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- To hedge against adverse changes, caused by changing interest rates, stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's fixed income portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate, stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of debt securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, the Fund may invest that portion of its assets allocated to emerging market investments by purchasing shares of the UBS Emerging Markets Equity Relationship Fund and the UBS Emerging Markets Debt Relationship Fund.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking such temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

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The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0875% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Brian D. Singer is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Singer has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Singer, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Singer is provided below.

BRIAN D. SINGER is the Chief Investment Officer, Americas, at UBS Global Asset Management. Mr. Singer has been a Managing Director of UBS Global Asset Management since 1990 and portfolio manager of the Fund since inception.

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The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different Fund is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invest in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B of this Registration Statement.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $25,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular

trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no

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charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS HIGH YIELD RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS High Yield Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Merrill Lynch High Yield Cash Pay Index. The benchmark is a broad-based index of high yield securities consisting of issues in the form of publicly placed nonconvertible, coupon-bearing U.S. domestic debt carrying a term to maturity of at least one year. The benchmark has been designed to provide a representative indication of the performance of the high yield market in the United States. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund invests in dollar denominated, high yield securities of U.S. and foreign companies, banks and governments, including those in emerging markets. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities that provide higher yields and are lower rated. High yield, lower rated fixed income securities are those rated below investment grade. The Fund invests in cash payment, zero coupon and pay-in-kind fixed income securities, and may also invest in convertibles, preferred stock and common stock equivalents and in bank loans. CREDIT QUALITY: The Fund invests in below investment grade, high yield securities including corporate fixed income securities that are commonly known as "junk bonds." MATURITY: Individual securities may be of any maturity. The Fund may invest in all types of fixed income securities of issuers from all countries, including emerging markets. These securities include fixed income securities issued by corporations, governments, governmental entities, entities organized to restructure outstanding emerging market debt and supranational entities such as the World Bank or the European Economic Community. These also include participations in loans between governments and financial institutions, and Brady Bonds.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is based on the premise that inefficiencies exist within the high yield bond market

that a fundamental value-based investment process can exploit. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental

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investment value.

The Advisor combines both a top-down and bottom-up analysis. The Advisor may invest in securities of any quality, including unrated securities. The Advisor believes that diversifying the Fund's portfolio by security type, industry, quality and maturity as opposed to investing in any one sector will better enable the Fund to control risk. The Advisor will consider investments across a wide spectrum of industries.

The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which securities to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for fixed income securities that provide both a high level of current income and the potential for capital appreciation due to a perceived improvement in the creditworthiness of the issuer. The Advisor also compiles and considers the following data to assess the issuer's future cash flows:

- Management strength
- Market position
- Competitive environment
- Financial flexibility
- Ability to deleverage
- Historical operating results

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

- The Advisor's judgments about the fundamental values of securities acquired by the Fund may prove to be incorrect.
- The Advisor's judgments about the allocation of the Fund's portfolio across industries, maturities or credit categories may prove to be incorrect.

RISKS OF HIGH YIELD/HIGHER RISK SECURITIES

- The Fund's investments in below investment grade securities may be considered speculative because they have a higher risk of default, tend to be less liquid, and may be more difficult to value.
- Changes in economic conditions or other circumstances may lead to a weakened capacity to make principal and interest

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payments.
- Issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates.
- Prices of below investment grade securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions.

- Below investment grade securities may become illiquid and hard to value in down markets.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries in whose currencies the Fund's investments are denominated may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- When interest rates are declining, the issuer of a security may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- As a result of rising interest rates, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKET RISKS

The values of the Fund's foreign and emerging market investments may go down or be very volatile because of unfavorable foreign government actions, political, economic or market instability or the absence of accurate information about foreign companies.

Also, a decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities denominated in those currencies. Foreign securities are sometimes less liquid and harder to value than securities of U.S. issuers. These risks are more severe for securities of issuers in emerging market countries.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION

The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund.

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Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE

An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE

The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund are U.S. dollar denominated and may have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- convertible securities
- preferred stock and trust certificates
- repurchase agreements
- bank loans (generally in the form of loan participations and assignments)

CREDIT QUALITY

Securities are below investment grade if, at the time of purchase:

- They are rated below the top four long-term rating categories of a nationally recognized statistical rating organization.
- They have received a comparable short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

FOREIGN SECURITIES

The Fund may invest in a broad range of securities of foreign issuers, including emerging market issuers. An emerging market is any country defined as an emerging or developing economy by the World Bank, International Finance Corporation or United Nations.

EQUITY SECURITIES

The Fund's investments in equity securities will occur primarily as a result of the purchase of unit offerings of fixed income securities which include equity components. The Fund may invest in equity securities of U.S. and non-U.S. issuers including common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights and warrants.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor manages the investment and reinvestment of the assets of the Fund. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0375% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Marianne Rossi is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Marianne Rossi has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research and or security selection. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Ms. Rossi, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Ms. Rossi is provided below.

MARIANNE ROSSI is a Managing Director in Fixed Income portfolio management at UBS Global Asset Management since April 2000. Ms. Rossi has been a Managing Director of UBS Global Asset Management since December 2000 and portfolio manager of the Fund since 2000.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's

website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of the Trust.

FEDERAL INCOME TAX

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

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PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

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Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

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The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone

authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the

Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the

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NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS INTERNATIONAL EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS International Equity Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Morgan Stanley Capital International (MSCI) World Ex USA (Free) Index ("MSCI Index"). The MSCI Index is a broad, capitalization-weighted measure of foreign stocks. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund will principally invest in equity securities of issuers outside of the United States.
WHERE THE FUND INVESTS	The Fund maintains an international portfolio by investing in issuers located throughout the world. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities. The Fund may invest in equity securities of issuers in any capitalization range based on market conditions and in accordance with its investment objective.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. is the Fund's investment advisor (the "Advisor"). The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this style, the Advisor generally purchases for the Fund securities contained in the Fund's benchmark index, the MSCI Index. The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their

fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The stock markets where the Fund's investments are principally traded go down. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
SPECIAL RISK OF SMALL AND MID-CAPITALIZATION ISSUERS	- Securities of small capitalization companies, and to a lesser extent mid-capitalization companies, present greater risks than securities of larger, more established companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
FOREIGN COUNTRY RISKS	The values of the Fund's foreign investments may go down or be very volatile because of: - A decline in the value of foreign currencies relative to the U.S. dollar. - Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms. - Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt. - Political and social instability, war and civil unrest. - Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

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NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include dividend-paying securities, common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts. The Fund may invest in issuers of any size.

MANAGEMENT OF CURRENCY EXPOSURE

The Fund's allocation among different currencies will be identical to that of its benchmark index if the Advisor believes that global currency markets are fairly priced relative to each other and associated risks. However, the Fund may actively depart from this normal currency allocation when, based on the Advisor's research, the Advisor believes that currency prices deviate from their fundamental values. As described below, the Fund may use derivatives to manage its currency exposure.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; foreign forward currency contracts or forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in

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their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, the Fund may invest its assets in emerging market investments by purchasing shares of UBS Emerging Markets Equity Relationship Fund.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

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Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign subsidiaries, but it does not generally receive advice or recommendations regarding the purchase or sale of securities from such subsidiaries. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.09% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Thomas Madsen is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Madsen has access to certain members of the International Equity investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Madsen, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Madsen is provided below.

THOMAS MADSEN is the Global Head of Equities at UBS Global Asset Management. Mr. Madsen has been a Managing Director of UBS Global Asset Management since February, 2000 and a portfolio manager of the Fund since inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

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FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an

Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

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Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been

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halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet

redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS LARGE-CAP SELECT EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Large-Cap Select Equity Relationship Fund (formerly, UBS U.S. Large Cap Equity Relationship Fund) (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL RISKS

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Standard & Poor's 500 Stock Index (the "S&P 500 Index"). This benchmark is a broad-based, capitalization weighted index which includes primarily U.S. common stocks. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. large capitalization companies. The Fund may also invest up to 20% of its net assets in companies with a minimum market capitalization of $1.5 billion at the time of purchase. Large capitalization companies are those with a market capitalization range equal to that of the Fund's benchmark, the S&P 500 Index. As of March 31, 2005, the capitalization of companies represented in the S&P 500 Index ranged between $566 million and $382 billion. In addition, if changes in market value cause a security to move outside this level, the Fund is not required to dispose of the security.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that

investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction.

Most of the Fund's investments will be stocks contained in the Fund's benchmark index. The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting individual companies for investment, a team of equity professionals and security analysts utilize both quantitative and fundamental research to determine the long-term valuation of an individual security. Additionally, company visits and other sources of information are utilized to determine a company's ability to generate

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profit and to grow its business into the future. Some of the factors considered in the Advisor's valuation are the following:

- Low market valuations measured by the Advisor's fundamental analysis and valuation models
- Experienced and effective management
- Effective research, product development and marketing
- Global competitive advantages
- Future strong cash flow
- Liquidity
- Innovative and positive changes in management, products and strategy
- Long-term focus

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK — The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF EQUITY INVESTMENTS

- The U.S. stock market goes down.
- Large capitalization stocks are temporarily out of favor.
- An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
- While mid capitalization companies may be less volatile than small capitalization companies, they may be less well established and capitalized and their securities may be less liquid than those of large capitalization companies.

DERIVATIVES RISK — The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION — The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE — An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE — The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

Investment decisions for the Fund are made by an investment management team of the Advisor. No member of the investment management team is primarily responsible for making recommendations for portfolio purchases or sales.

PORTFOLIO MANAGEMENT

Mr. John Leonard is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Leonard has access to certain members of the North American Equities investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio

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managers and analysts within the various sectors and markets in the Fund. Mr. Leonard as coordinator has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard and certain key members of the team is provided below.

JOHN LEONARD is Head of North American Equities and Deputy Global Head of Equities at UBS Global Asset Management. Mr. Leonard is also a Managing Director of UBS Global Asset Management and has been an investment professional with UBS Global Asset Management since 1991.

THOMAS M. COLE is Head of Research - North American Equities and a Managing Director at UBS Global Asset Management. Mr. Cole has been an investment professional with UBS Global Asset Management since 1995.

THOMAS DIGENAN has been a North American Equity Strategist at UBS Global Asset Management since 2001 and is an Executive Director of UBS Global Asset Management. Mr. Digenan was President of The UBS Funds from 1993 to 2001.

SCOTT HAZEN has been a North American Equity Strategist at UBS Global Asset Management since 2004 and is an Executive Director of UBS Global Asset Management. From 1992 until 2004, Mr. Hazen was a Client Service and Relationship Management professional with UBS Global Asset Management.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

As of April 29, 2004, the Fund's name changed from UBS U.S. Large Cap Equity Relationship Fund to UBS Large-Cap Select Equity Relationship Fund.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been

halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet

redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Large-Cap Value Equity Relationship Fund (formerly, UBS U.S. Value Equity Relationship Fund) (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 1000 Value Index. This benchmark is a broad-based, capitalization weighted index which primarily includes U.S. common stocks. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. large capitalization companies. Large capitalization companies are those with a capitalization range equal to that of the Fund's benchmark, the Russell 1000 Value Index. As of March 31, 2005, the capitalization of companies represented in the Russell 1000 Value Index ranged between $511 million and $390 billion. The Fund focuses its investments in large capitalization companies but may also invest in equity securities of mid-capitalization and small capitalization companies. The Fund generally invests in value-oriented securities. Value-oriented securities tend to exhibit lower price-to-book and price earnings ratios, higher dividend yields and lower forecasted growth values than securities in a growth universe.

PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction.

Most of the Fund's investments will be stocks in the Fund's benchmark index. The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting individual companies for investment, a team of equity professionals and security analysts utilize both quantitative and fundamental research to determine the long-term valuation of an

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individual security. Additionally, company visits and other sources of information are utilized to determine a company's ability to generate profit and to grow its business into the future. Some of the factors considered in the Advisor's valuation are the following:

- Low market valuations measured by the Advisor's fundamental analysis and valuation models
- Experienced and effective management
- Effective research, product development and marketing
- Global competitive advantages
- Future strong cash flow
- Liquidity
- Innovative and positive changes in management, products and strategy
- Long-term focus

The Advisor also employs a disciplined review process to identify and remove from the Fund's portfolio any investments if the Advisor determines the company's stock has reached full or excessive valuation levels.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The U.S. stock market goes down. - Value stocks are temporarily out of favor. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
SPECIAL RISKS OF SMALL AND MID-CAPITALIZATION COMPANIES	Securities of small capitalization companies, and to a lesser extent, mid-capitalization companies, present greater risks than securities of larger, more established companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE	An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income

securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Mr. John Leonard is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Leonard has access to certain members of the North

American Equities investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various sectors and markets in the Fund. Mr. Leonard as coordinator has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard and certain key members of the team is provided below.

JOHN LEONARD is Head of North American Equities and Deputy Global Head of Equities at UBS Global Asset Management. Mr. Leonard is also a Managing Director of UBS Global Asset Management and has been an investment professional with UBS Global Asset Management since 1991.

THOMAS M. COLE is Head of Research - North American Equities and a Managing Director at UBS Global Asset Management. Mr. Cole has been an investment professional with UBS Global Asset Management since 1995.

THOMAS DIGENAN has been a North American Equity Strategist at UBS Global Asset Management since 2001 and is an Executive Director of UBS Global Asset Management. Mr. Digenan was President of The UBS Funds from 1993 to 2001.

SCOTT HAZEN has been a North American Equity Strategist at UBS Global Asset Management since 2004 and is an Executive Director of UBS Global Asset Management. From 1992 until 2004, Mr. Hazen was a Client Service and Relationship Management professional with UBS Global Asset Management.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

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FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

As of April 29, 2004, the Fund's name changed from the UBS U.S. Value Equity Relationship Fund to the UBS U.S. Large-Cap Value Equity Relationship Fund.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an

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offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the

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Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P.

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Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response

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to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Opportunistic Emerging Markets Debt Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	To maximize total return, consisting of capital appreciation and current income, while controlling risk.
ASSET CLASS EXPOSURE	The Fund is designed as an investment vehicle for use by other Series of the Trust and clients of UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, that use the Advisor's core plus investment strategy to provide opportunistic exposure to the emerging markets debt asset class. The Fund is not a long-term investment option.
	When the Advisor determines that an allocation to the emerging market debt asset class is appropriate, the Advisor will invest client assets in the Fund. If the Advisor's investment outlook changes, the Advisor may reallocate client assets to another asset class, and

will redeem all or a portion of client assets invested in the Fund.

PERFORMANCE BENCHMARK	Lehman Aggregate Index. The benchmark is an unmanaged index of investment grade fixed-rate debt issues, including corporate, government, mortgage-backed and asset-backed securities with maturities of at least one year. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in debt securities that are tied economically to emerging market countries. Securities tied economically to emerging market countries include debt securities issued by governments, government-related entities (including participations in loans between governments and financial institutions), corporations and entities organized to restructure outstanding debt of issuers in emerging markets and instruments whose return is derived from any of the foregoing. CREDIT QUALITY: The Fund may invest, without limit, in higher yield, below investment grade securities commonly known as "junk bonds." MATURITY: Individual securities may be of any maturity.
WHERE THE FUND INVESTS	The Fund invests in issuers located in at least three emerging market countries, which may be located in Asia, Europe, Latin America, Africa or the Middle East.

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WHAT IS AN EMERGING MARKET?	A country defined as an emerging or developing economy by any of the World Bank, the International Finance Corporation or the United Nations or its authorities. The countries included in this definition will change over time.
WHAT IS AN EMERGING MARKET SECURITY?	A security issued by a government or other issuer that, in the opinion of the Advisor, has one or more of the following characteristics: - The security's principal trading market is an emerging market. - At least 50% of the issuer's revenue is generated from goods produced or sold, investments made, or services performed in emerging market countries. - At least 50% of the issuer's assets are located in emerging market countries.
PRINCIPAL STRATEGIES	The Advisor's investment style is singularly focused on investment fundamentals. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this style, the Advisor purchases for the Fund those securities that appear to be underpriced relative to their fundamental values. The Advisor attempts to identify and exploit discrepancies between market price and fundamental value by analyzing investment fundamentals that determine future cash flows. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes. In addition, the Advisor considers the following data for its portfolio construction: - Country analysis based on macroeconomic and political factors - Current credit quality and possible credit upgrades or downgrades - Interest rate exposure - Narrowing or widening of spreads between sectors,

- securities of different credit qualities or securities of different maturities

The Fund, from time to time, may invest 25% or more of its total assets in the sovereign debt of an emerging market country based on the Advisor's analysis of the relative attractiveness of the particular emerging market country considering current market conditions.

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in emerging market countries may vary, or rates may move faster than in the U.S. and other developed markets. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKET RISKS

- The values of the Fund's foreign and emerging market investments may go down or be very volatile because of a decline in the value of foreign currencies relative to the U.S. dollar.
- Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms. Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available

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information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
INDUSTRY CONCENTRATION RISK	To the extent that the Fund invests more than 25% of its total assets in the sovereign debt of a single emerging market country, its portfolio will be more susceptible to the factors adversely affecting that emerging market country than would a more geographically diverse portfolio of securities. The risks of investing in emerging market countries are described above.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for securities that provide both a high level of current income and the potential for capital appreciation due to a perceived or actual improvement in the creditworthiness of the issuer. The Fund may invest in all types of fixed income securities of issuers from all countries, in addition to emerging markets. These include:

- Fixed income securities issued or guaranteed by governments, governmental agencies or instrumentalities and political subdivisions located in emerging market countries.
- Participations in loans between emerging market governments and financial institutions.
- Fixed income securities issued by government owned, controlled or sponsored entities located in emerging market countries.
- Interests in entities organized and operated for the purpose of restructuring the investment characteristics of instruments issued by any of the above issuers.
- Brady Bonds.
- Fixed income securities issued by corporate issuers, banks and finance companies located in emerging market countries.
- Fixed income securities issued by supranational entities such as the World Bank. (A supranational entity is a bank, commission or company established or financially

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supported by the national governments of one or more countries to promote reconstruction or development.)

Fixed income securities purchased by the Fund may be denominated or have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- structured notes and leveraged derivative securities
- convertible securities
- zero coupon securities
- pay-in-kind and when-issued securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase and reverse repurchase agreements

The Fund may invest substantially all of its assets in U.S. and non-U.S. dollar denominated, fixed income securities that are higher risk, below investment grade securities rated by a nationally recognized statistical rating organization below its top four long-term rating categories or determined by the Advisor to be of comparable quality. Below investment grade securities are commonly known as "junk bonds". The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of these securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's fixed income portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts, if it is leveraged, can have a big impact on a Fund's interest rate, stock market and currency exposure. Therefore, using derivatives can

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disproportionately increase portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking a temporary defensive position, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may liquidate its entire portfolio in the event of a change in the Advisor's outlook regarding its asset allocation decision. In addition, the Fund may engage in active and frequent trading to pursue its principal investment strategies. These factors increase transaction costs, including brokerage commissions, and may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December

31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

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Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.50% of its average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Uwe Schillhorn is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Schillhorn has access to certain members of the Emerging Market Debt investment management team, each of whom is allocated specific responsibilities for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Schillhorn, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Schillhorn is provided below.

UWE SCHILLHORN is the Head of Emerging Markets Debt at UBS Global Asset Management. Mr. Schillhorn has been an Executive Director of UBS Global Asset Management since 1997. Mr. Schillhorn has been the portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

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The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an

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offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the respective net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $1,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the

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Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P.

Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge (except as noted below) on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response

to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Opportunistic High Yield Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Lehman U.S. Aggregate Index. The benchmark is an unmanaged index of investment grade fixed-rate debt issues, including corporate, government, mortgage-backed and asset-backed securities with maturities of at least one year. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
ASSET CLASS EXPOSURE	The Fund is designed as an investment vehicle for use by other series of the Trust and clients of UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, that use the core plus investment strategy to provide opportunistic exposure to the high yield debt asset class. The Fund is not designed to be a long-term investment option. When the Advisor determines that an allocation to the high yield debt asset class is appropriate for the Advisor's core plus strategy, the Advisor will invest client assets in the Fund. If the Advisor's investment outlook changes, the Advisor may reallocate client assets to another asset class, and will redeem all or a portion of client assets invested in the Fund.

PRINCIPAL INVESTMENTS

Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities that provide higher yields and are lower rated. High yield, lower rated fixed income securities are those rated below investment grade. The Fund invests in cash payment, zero coupon and pay-in-kind fixed income securities, and may also invest in convertibles, preferred stock and common stock equivalents and in bank loans.

CREDIT QUALITY: The Fund invests primarily in below investment grade, high yield securities, including corporate fixed income securities that are commonly known as "junk bonds." The Fund may purchase securities rated no lower than B- by Standard & Poor's Ratings Group, B3 by Moody's Investors Service, Inc., or equivalent unrated securities. The Fund will look to sell any securities held in the portfolio with ratings at or below CCC.

MATURITY: Individual securities may be of any maturity.

The Fund may invest in all types of fixed income securities of issuers from all countries. These securities include fixed income securities issued by corporations, governments, governmental entities and supranational entities such as the World Bank or the European

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Economic Community. These securities also include participations in loans between governments and financial institutions.

PRINCIPAL STRATEGIES

The Advisor's investment style is based on the premise that inefficiencies exist within the high yield bond market that a fundamental value-based investment process can exploit. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value.

The Advisor combines both a top-down and bottom-up analysis. The Advisor believes that diversifying the Fund's portfolio by security type, industry, quality and maturity, as opposed to investing in any one sector, will better enable the Fund to control risk. The Advisor will consider investments across a wide spectrum of industries. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for fixed income securities that provide both a high level of current income and the potential for capital appreciation due to a perceived improvement in the creditworthiness of the issuer. The Advisor also compiles and considers the following data to assess the issuer's future cash flows:

- Management strength
- Market position
- Competitive environment
- Financial flexibility
- Ability to deleverage
- Historical operating results

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

- The Advisor's judgments about the fundamental values of securities acquired by the Fund may prove to be incorrect.
- The Advisor's judgments about the allocation of

the Fund's portfolio across industries, maturities or credit categories may prove to be incorrect.

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RISKS OF HIGH YIELD/HIGHER RISK SECURITIES

- The Fund's investments in below investment grade securities may be considered speculative because they have a higher risk of default, tend to be less liquid, and may be more difficult to value.
- Changes in economic conditions or other circumstances may lead to a weakened capacity to make principal and interest payments.
- Issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates.
- Prices of below investment grade securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions.
- Below investment grade securities may become illiquid and hard to value in down markets.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries in whose currencies the Fund's investments are denominated may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- When interest rates are declining, the issuer of a security may exercise its option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- As a result of rising interest rates, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY RISKS

The values of the Fund's foreign investments may go down or be very volatile because of unfavorable foreign government actions, political, economic or market instability or the absence of accurate information about foreign companies.

Also, a decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities denominated in those currencies. Foreign securities are sometimes less liquid and harder to value than securities of U.S. issuers.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

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NON-DIVERSIFICATION

The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE

An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE

The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund may be U.S. dollar and non-U.S. dollar denominated, may have coupons payable in any currency, and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- convertible securities
- preferred stock and trust certificates
- repurchase agreements
- bank loans (generally in the form of loan participations and assignments)

CREDIT QUALITY

Securities are below investment grade if, at the time of purchase:

- They are rated below the top four long-term rating categories of a nationally recognized statistical rating organization.
- They have received a comparable short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

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A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may liquidate its entire portfolio in the event of a change in the Advisor's outlook regarding its asset allocation decision. In addition, the Fund may engage in active and frequent trading to pursue its principal investment strategies. These factors increase transaction costs, including brokerage commissions and may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

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UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.1375% of its average net assets. The Advisor may discontinue this assumption of expenses at any time.

PORTFOLIO MANAGEMENT

Marianne Rossi is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Marianne Rossi has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research and or security selection. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Ms. Rossi, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Ms. Rossi is provided below.

MARIANNE ROSSI is a Managing Director in Fixed Income portfolio management at UBS Global Asset Management since April 2000. Ms. Rossi has been a Managing Director of UBS Global Asset Management since December 2000 and portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports,

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The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of the Trust.

FEDERAL INCOME TAX

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the

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meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $1,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt.

Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction

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of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m.

Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS SHORT DURATION RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Short Duration Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	The Fund's benchmark is the Merrill Lynch 1-3 Year U.S. Treasury Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund will normally invest at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities. CREDIT QUALITY: The Fund will invest in fixed income securities that are rated AAA to BBB at the time of purchase. DURATION: The Fund will maintain a duration of 3 years or less.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, uses an investment style that is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes. The Fund may invest in all types of fixed income securities of U.S. issuers. The Advisor emphasizes those fixed income market sectors and selects for the Fund those securities that appear to be most undervalued relative to their yields and potential risks. In analyzing the relative attractiveness of sectors and securities, the Advisor considers: - Available yields - Potential for capital appreciation - Current credit quality as well as possible credit upgrades or downgrades - Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities - For mortgage-related and asset-backed securities, anticipated changes in average prepayment rates

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be

incorrect.

RISKS OF FIXED INCOME INVESTMENTS	- U.S. interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk. - The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk. - As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk. - When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund will be U.S. dollar denominated or have coupons payable in U.S. dollars. The Fund may invest in all types of fixed income securities of

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U.S. and non-U.S. issuers. The Fund's investments will represent a range of maturities and sectors. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, variable rate, floating rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- collateralized mortgage-backed securities
- commercial mortgage-backed securities
- asset-backed securities
- leveraged derivative securities
- convertible securities
- when-issued securities
- repurchase agreements
- Eurodollar securities
- corporate securities
- securities issued by supranational organizations and sovereign governments

CREDIT QUALITY

Securities are eligible for purchase by the Fund if, at the time of purchase:

- They are rated AAA to BBB or its equivalent by a nationally recognized statistical rating organization.

- They have received an equivalent short-term or other rating.
- They are unrated securities that the Advisor believes are of equivalent quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security or index. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

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Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

Although the Fund will not ordinarily invest in equity securities, it is permitted to invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series of the Trust only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of the Fund's assets in money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading

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departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Michael Markowitz is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Markowitz has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Markowitz, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Markowitz is provided below.

MICHAEL MARKOWITZ is the Head of U.S. Short Duration Fixed Income and is a Managing Director at UBS Global Asset Management. Mr. Markowitz has been a Managing Director of UBS Global Asset Management since May 1994. Mr. Markowitz has been portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

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FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

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Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

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New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been

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halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

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Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet

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redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS SHORT-TERM RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Short-Term Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	The Fund's benchmark is the Citigroup 1 Month Treasury Bill Local Currency. The Index consists of the last one-month Treasury Bill issue, and measures monthly return equivalents of yield averages that are not marked-to-market. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund will normally invest at least 80% of its net assets (plus borrowings for investment purposes, if any) in short-term fixed income securities. The Fund may also invest in master notes, repurchase agreements and reverse repurchase agreements. CREDIT QUALITY: The Fund may invest in securities rated investment grade at the time of purchase (those rated investment grade in the short-term rating categories of a nationally recognized statistical rating organization, or unrated securities deemed to be of equivalent quality). Investments in long-term notes and bonds must be rated at least BBB- by Standard & Poor's Ratings Group ("S&P") or Baa3 by Moody's Investors Service, Inc. ("Moody's"), at the time of purchase, or if unrated, be deemed to be of equivalent quality. MATURITY: The Fund will maintain a dollar weighted average maturity of 90 days or less. The Fund may invest in all types of fixed income securities, including: - Fixed income securities issued by corporate issuers, banks and finance companies - Fixed income securities issued or guaranteed by governments, governmental agencies or instrumentalities and political subdivisions, including loan participations - Fixed income securities issued by government

owned, controlled or sponsored entities, or supranational entities, such as the World Bank or the European Economic Community

PRINCIPAL STRATEGIES

UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor actively manages the Fund by using a fundamental value-based process. This involves identifying fixed income securities that appear to be temporarily underpriced relative to their value and attractiveness. The Advisor also compares the relative yields and risk characteristics of various obligations. In selecting individual securities, the Advisor considers many factors, including maturity, current yield, interest rate sensitivity, credit quality, yield curve analysis and individual issue selection.

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The Advisor attempts to enhance the long-term return and risk performance of the Fund by:

- Actively managing portfolio maturity structure
- Emphasizing careful security selection, credit risk management and efficient execution of transactions

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF FIXED INCOME INVESTMENTS

- U.S. interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

RISKS OF U.S. GOVERNMENT AGENCY OBLIGATIONS

Government agency obligations have different levels of credit support, and therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. government that are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present little credit risk. Other securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, such as securities issued by Federal Home Loan Banks, and securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to

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a greater degree of credit risk.

NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund will be U.S. dollar denominated or have coupons payable in U.S. dollars. The Fund may invest in fixed income securities of U.S. and non-U.S. issuers. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, floating rate, zero coupon, and when-issued features. These fixed income securities may include:

- demand notes
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- collateralized mortgage-backed securities
- asset-backed securities
- bank instruments
- master notes and funding agreements
- convertible securities
- repurchase agreements and reverse repurchase agreements
- corporate securities, including commercial paper
- when-issued securities
- Eurodollar securities
- securities issued by supranational entities and sovereign governments

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four short-term rating categories of a nationally recognized statistical rating organization.
- They are long-term notes or bonds that are rated at least BBB- (by S&P) or Baa3 (by Moody's).
- They are unrated securities that the Advisor believes are of equivalent quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

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IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0875% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Michael Markowitz is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Markowitz has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Markowitz, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally

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implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Markowitz is provided below.

MICHAEL MARKOWITZ is the Head of U.S. Short Duration Fixed Income and is a Managing Director at UBS Global Asset Management. Mr. Markowitz has been a Managing Director of UBS Global Asset Management since May 1994. Mr. Markowitz has been portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the

Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your

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entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein, but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund

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unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair

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value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the

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meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS SMALL-CAP EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Small-Cap Equity Relationship Fund (formerly, UBS U.S. Small Cap Equity Relationship Fund) (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 2000 Index. This benchmark is an index composed of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. small capitalization companies. Small capitalization companies are companies with market capitalizations of $2.5 billion or less at the time of purchase. The Advisor may modify this definition as market conditions require. In addition, if changes in market value cause a security to move above this level, the Fund is not required to dispose of the security.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, selects for the Fund those equity securities that appear to be undervalued based upon internal research and proprietary valuation systems. The Advisor's research focuses on several levels of analysis, including understanding wealth shifts that occur within the equity market and researching individual companies. Generally, the Advisor will select for the Fund the securities in the Fund's benchmark. However, the Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which index stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental values. The Fund may, but is not

required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In deciding whether to buy a company for the Fund, the Advisor:

- Quantifies its expectations of a company's ability to generate profit and to grow business into the future.
- Calculates an expected rate of return from the investment in order to estimate intrinsic value.
- Compares the estimated intrinsic value to observed market price and ranks the company against other stocks accordingly.

The Advisor looks for companies with the following characteristics:

- Strong management teams
- Significant competitive strengths in growing markets
- Strong financial positions

The Advisor attempts to identify target companies that exhibit:

- Innovative management
- Reasonable price-earnings multiples in relation to long-term earnings prospects
- Strong balance sheets

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The U.S. stock market goes down. - Small capitalization stocks are temporarily out of favor. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
SPECIAL RISKS OF UNSEASONED AND SMALL CAPITALIZATION COMPANIES	The Fund invests primarily in relatively new or unseasoned companies when compared to companies included in the Standard & Poor's 500 Stock Index. Securities of unseasoned companies present greater risks than securities of larger, more established companies. Unseasoned companies may have greater risks because they: - May be dependent on a small number of products or services - May lack substantial capital reserves - Do not have proven track records Small companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE	An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit

Insurance Corporation or any other government agency.

FLUCTUATING VALUE — The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include dividend-paying securities, common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

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DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission.

As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0375% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Mr. Wilfred Talbot is the lead portfolio manager for the Fund. UBS Global Asset Management's investment professionals are organized into investment management teams, with a particular

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team dedicated to a specific asset class. He and his team of analysts work exclusively on small cap core and small cap value investing. Each small cap analyst is assigned a set of industries. The analyst is then responsible for stock selection in those industries. Mr. Talbot oversees the research, conducts research on industries assigned to him, and constructs the small cap portfolios. Mr. Talbot reviews the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard is provided below.

WILFRED TALBOT is has been a Managing Director of UBS Global Asset Management since 1997 and portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

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A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

As of April 29, 2004, the Fund's name changed from UBS U.S. Small Cap Equity Relationship Fund to UBS Small-Cap Equity Relationship Fund.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the

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Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information

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concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

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REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term Investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its Investors.

In addition, the nature of the Fund's portfolio holdings may present opportunities for an Investor to engage in a short-term trading strategy that exploits possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). The Fund may be subject to arbitrage market timing because the Fund has significant holdings in small cap securities, which may have market prices that do not accurately reflect the latest indications of value of these securities at the time that the Fund calculates its net asset value due to, among other reasons, infrequent trading or illiquidity. There is the possibility that arbitrage market timing may dilute the value of the Fund's shares if redeeming Investors receive proceeds (and purchasing Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices.

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The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of Investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. BOND RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Bond Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Lehman U.S. Aggregate Index. The benchmark is an unmanaged index of investment grade fixed rate debt issues, including corporate, government, mortgage-backed and asset-backed securities with maturities of at least one year. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in U.S. fixed income securities. CREDIT QUALITY: The Fund will invest in investment grade securities. MATURITY/DURATION: The Fund will invest in fixed income securities of any maturity, but generally invests in securities having an initial maturity of more than one year.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, uses an investment style focused on investment fundamentals. The Advisor believes that investment fundamentals determine and define investment value. Market prices tend to be more volatile than fundamental value, and the Advisor seeks to identify and exploit these periodic differences. The Advisor considers many factors, in addition to maturity and current yield, in the evaluation of fixed income securities, including: duration

management, yield curve analysis, sector selection, security selection and asset allocation. The Advisor employs a top-down strategy, including duration targets and sector allocations incorporating macroeconomic input. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF FIXED INCOME INVESTMENTS	- Interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk. - The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk. - As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk. - When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

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MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include, but are not limited to:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- real estate mortgage conduits
- asset-backed securities
- derivative securities
- convertible securities

- when-issued securities
- Eurodollar securities
- repurchase agreements
- Exchange traded vehicles such as ETFs and iBOXX

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four long-term rating categories by at least one nationally recognized statistical rating organization.
- They have received a comparable short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating. The Fund also may add to its position in securities of issuers held by the Fund that have been downgraded below investment grade since the Fund's initial purchase in order to maintain the Fund's position with regard to previous issuer allocation decisions. The Fund, however, will not add to its position in securities downgraded below investment grade if after such purchase more than 5% of the Fund's total assets would be invested in these lower-rated securities.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, or index. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund is permitted to invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series of the Trust only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004.

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UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

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DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or

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entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

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The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this

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policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

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The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. CASH MANAGEMENT PRIME RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Cash Management Prime Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize current income consistent with liquidity and the preservation of capital. The Fund seeks to maintain a stable $1 share price. THERE CAN BE NO ASSURANCE THAT THE FUND WILL BE ABLE TO MAINTAIN A STABLE NET ASSET VALUE OF $1.00 PER SHARE.
PERFORMANCE BENCHMARK	Citigroup 1-Month Treasury Bill Rate. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
RATING	The Fund has been rated in the highest rating category by two nationally recognized statistical rating organizations.
PRINCIPAL INVESTMENTS	The Fund may invest in high quality money market instruments, including commercial paper, certificates of deposit, bankers' acceptances, mortgage-backed and asset-backed securities, repurchase agreements and other short-term fixed income securities. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in U.S. money market securities.
MINIMUM CREDIT QUALITY	The Fund may purchase only those obligations that the Board of Trustees (the "Board") of the Trust has determined present minimal credit risks and are "First Tier Securities" as defined in Rule 2a-7 under the Investment Company Act of 1940, as amended ("Investment Company Act"). First Tier Securities include U.S. government securities and securities of other money market funds. Other First Tier Securities are either: (1) rated in the highest short-term rating category by at least two nationally recognized statistical rating organizations ("rating agencies"), (2) rated in the highest short-term rating category by a single rating agency if only that rating agency has assigned the obligation a short-term rating, (3) issued by an issuer that has received such a short-term rating with respect to a security that is comparable in priority and

security, (4) subject to a guarantee rated in the highest short-term rating category or issued by a guarantor that has received the highest short-term rating for a comparable debt obligation or (5) unrated, but determined by UBS Global Asset Management (Americas) Inc. (the "Advisor") to be of comparable quality.

MAXIMUM MATURITY

The Fund invests in high quality money market instruments that have, or are deemed to have, remaining maturities of 13 months or less. Money market instruments are short-term debt-obligations and similar securities. They also include longer term bonds that have variable interest rates or other special features that give them the financial characteristics of short-term debt. These instruments include: (1) U.S. and foreign government securities, (2) obligations of U.S. and foreign banks, (3) commercial paper and other short-term obligations

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of U.S. and foreign corporations, partnerships, trusts and similar entities, (4) funding agreements and other insurance company obligations, (5) repurchase agreements and (6) shares of money market funds.

The Fund maintains a dollar-weighted average portfolio maturity of 90 days or less. The Fund may invest in obligations (including certificates of deposit, bankers' acceptances, time deposits and similar obligations) of U.S. and foreign banks only if the institution has total assets at the time of purchase in excess of $1.5 billion. The Fund's investments in non-negotiable time deposits of these institutions will be considered illiquid if they have maturities greater than seven calendar days.

The Fund may also invest substantially all of its assets in U.S. Cash Management Prime Fund, a series of UBS Supplementary Trust, an unregistered investment pool with the same investment objective as the Fund.

PRINCIPAL STRATEGY

The Advisor generally intends to diversify the Fund's portfolio across issuers and sectors. The Advisor chooses investments for the Fund by:

- Selecting securities that appear to offer the best relative value based on an analysis of their credit quality, interest rate sensitivity, yield and price.
- Overweighting or emphasizing investments in particular types of issuers, securities or maturities to increase current yields.

PRINCIPAL INVESTMENT RISKS

Investors can lose money by investing in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

- The Advisor's judgments about the relative value of securities acquired by the Fund may prove to be incorrect.
- The Advisor's judgments about the allocation of investments across types of issuers, securities or maturities may prove to be incorrect.

INTEREST RATE RISK

A sudden or sharp movement in interest rates may cause the Fund's net asset value to deviate from $1.00.

CREDIT RISK

An issuer of the Fund's securities could default, or have its credit rating downgraded.

FOREIGN SECURITIES RISK

The value of the Fund's foreign securities goes down because of unfavorable foreign government actions, political instability or the more limited availability of accurate information about foreign issuers.

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NO GOVERNMENT GUARANTEE

An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit

Insurance Corporation or any other government agency.

THERE CAN BE NO ASSURANCE THAT THE FUND WILL BE ABLE TO MAINTAIN A STABLE NET ASSET VALUE OF $1.00 PER SHARE. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Fund.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign subsidiaries, but it does not generally receive advice or recommendations regarding the purchase or sale of securities from such subsidiaries. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0100% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Michael Markowitz is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Markowitz has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Markowitz, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Markowitz is provided below.

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MICHAEL MARKOWITZ is the Head of U.S. Short Duration Fixed Income and is a Managing Director at UBS Global Asset Management. Mr. Markowitz has been a Managing Director of UBS Global Asset Management since May 1994. Mr. Markowitz has been portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund currently intends to allocate income, gains and losses daily and to make distributions to Investors monthly. Unless J.P. Morgan Investor Services Co. ("J.P. Morgan") is notified otherwise, all Investor distributions will automatically be reinvested in additional Fund shares at net asset value.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

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An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

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For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

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Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

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The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan, fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, two hours prior to the close of regular trading hours (generally 2:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to 2:00 p.m. will be processed at the net asset value computed on the date of receipt. Requests received after 2:00 p.m. will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value

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next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received two hours prior to the close of regular trading hours (generally 2:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after 2:00 p.m. will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. CORE PLUS RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Core Plus Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Lehman U.S. Aggregate Index. This benchmark is an unmanaged index of investment grade fixed-rate debt issues, including corporate, government, mortgage-backed and asset-backed securities with maturities of at least one year. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	The Fund invests mainly in a broad range of investment grade fixed income securities, including corporate, government, mortgage-backed and asset-backed securities. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in U.S. fixed income securities of investment grade quality. The Fund may invest up to 20% of its net assets in any combination of high yield securities, emerging market fixed income securities and fixed income securities of foreign issuers, including foreign governments. Depending on its assessment of market conditions, UBS Global Asset Management (Americas) Inc. (the "Advisor") may choose to allocate the Fund's assets in any combination among these types of investments or may choose not to invest in these types of investments. CREDIT QUALITY: The Fund invests mainly in investment grade fixed income securities but may invest up to 20% of its net assets in high yield, below investment grade fixed income securities of all types. These securities are commonly known as "junk bonds." MATURITY/DURATION: The Fund may invest in fixed income securities of any maturity, but generally invests in

securities having an initial maturity of greater than one year.

PRINCIPAL STRATEGIES

The Advisor's investment style is focused on investment fundamentals. The Advisor believes that investment fundamentals determine and define investment value. Market prices tend to be more volatile than fundamental value, and the Advisor seeks to identify and exploit these periodic differences.

The Advisor considers many factors, in addition to maturity and current yield, in the evaluation of fixed income securities, including: duration management, yield curve analysis, sector selection, security selection and asset allocation. The Advisor employs a top-down strategy, including duration targets and sector allocations incorporating macroeconomic input. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about asset allocation or the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries where the Fund's investments are principally traded may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY RISKS

Many foreign countries in which the Fund may invest have markets that are less liquid and more volatile than markets in the U.S. In some foreign countries, less information is available about foreign issuers and markets because of less rigorous accounting and regulatory standards than in the U.S. Currency fluctuations could erase investment gains or add to investment losses. The risk of investing in foreign securities is greater in the case of emerging markets.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION

The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund may be U.S. dollar and non-U.S. dollar denominated, may have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay in kind and auction rate features. The Fund's non-U.S. dollar denominated fixed income securities will typically be invested in securities issued by governments, governmental entities, supranational issuers and corporations. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- real estate mortgage conduits
- asset-backed securities
- structured notes and leveraged derivative securities
- convertible securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase agreements
- Eurodollar securities
- Brady bonds

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CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four long-term rating categories by at least one nationally recognized statistical rating organization.
- They have received a comparable short-term or other rating.
- They are unrated securities that the Advisor believes are of comparable quality.

The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of below investment grade securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets. The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts to hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate and currency swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, the Fund may invest that portion of its assets allocated to emerging market investments or high yield securities by purchasing shares of UBS Emerging Markets Debt Relationship Fund or UBS Opportunistic High Yield Relationship Fund, respectively.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0875% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset

Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

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When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights

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pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities will be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information

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concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

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REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. INTERMEDIATE CAP EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Intermediate Cap Equity Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Frank Russell Mid-Cap Index. This benchmark is a broad capitalization weighted index which primarily includes U.S. common stocks in a defined capitalization range. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment

purposes, if any) in equity securities of U.S. intermediate capitalization companies. The Fund may invest up to 20% of its net assets in equity securities of small or large capitalization companies.

Intermediate capitalization companies are those with a market capitalization of between $1.5 billion and $10 billion at the time of purchase. The Advisor may modify this definition as market conditions require. In addition, if changes in the market value cause a security to move outside these levels, the Fund is not required to dispose of the security.

PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. is the Fund's investment advisor (the "Advisor"). The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction.

The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In selecting individual companies for investment, a team of equity professionals and security analysts utilize both quantitative and fundamental research to determine the long-term valuation of an individual security. Additionally, company visits and other sources of information are utilized to determine a company's ability to generate profit and to grow its business into the future. Some of the factors considered in the Advisor's valuation are the following:

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- Low market valuations measured by the Advisor's fundamental analysis and valuation models
- Experienced and effective management
- Effective research, product development and marketing
- Global competitive advantages
- Future strong cash flow
- Innovative and positive changes in management, products and strategy
- Long-term focus

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental values of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The U.S. stock market goes down. - Intermediate or small capitalization stocks are temporarily out of favor. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock. - While intermediate capitalization companies may be less volatile than small capitalization companies, they may be less well established and capitalized and their securities may be less liquid than those of large capitalization companies.
SPECIAL RISKS OF SMALL	Securities of small capitalization companies, and to

AND INTERMEDIATE CAPITALIZATION COMPANIES	a lesser extent, intermediate capitalization companies, present greater risks than securities of larger companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
SPECIAL RISKS OF UNSEASONED COMPANIES	The Fund may invest in relatively new or unseasoned companies that are in their early stages of development. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies may have greater risks because they: - May be dependent on a small number of products or services - May lack substantial capital reserves - Do not have proven track records
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

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NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

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DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

Investment decisions for the Fund are made by an investment management team of the Advisor. No member of the investment management team is primarily responsible for making recommendations for portfolio purchases or sales.

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PORTFOLIO MANAGEMENT

Mr. John Leonard is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Leonard has access to certain members of the North American Equities investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various sectors and markets in the Fund. Mr. Leonard as coordinator has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard and certain key members of the team is provided below.

JOHN LEONARD is Head of North American Equities and Deputy Global Head of Equities at UBS Global Asset Management. Mr. Leonard is also a Managing Director of UBS Global Asset Management and has been an investment professional with UBS Global Asset Management since 1991.

THOMAS M. COLE is Head of Research - North American Equities and a Managing Director at UBS Global Asset Management. Mr. Cole has been an investment professional with UBS Global Asset Management since 1995.

THOMAS DIGENAN has been a North American Equity Strategist at UBS Global Asset Management since 2001 and is an Executive Director of UBS Global Asset Management. Mr. Digenan was President of The UBS Funds from 1993 to 2001.

SCOTT HAZEN has been a North American Equity Strategist at UBS Global Asset Management since 2004 and is an Executive Director of UBS Global Asset Management. From 1992 until 2004, Mr. Hazen was a Client Service and Relationship Management professional with UBS Global Asset Management.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

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DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or

entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the

Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P.

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Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response

to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Large Cap Equity Relationship Fund (formerly, UBS U.S. Equity Relationship Fund) (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 1000 Index. This benchmark is a broad-based, capitalization weighted index that measures the performance of the 1,000 largest companies in the Russell 3000 Index, and represents approximately 92% of the total market capitalization of the Russell 3000 Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. large capitalization companies. Large capitalization companies are those with a capitalization range equal to that of the Fund's benchmark, the Russell 1000 Index. As of March 31, 2005, the capitalization of companies represented in the Russell 1000 Index ranged between $501 million and $390 billion. Equity securities include exchange traded and over-the-counter common stocks and preferred stock, fixed income securities convertible into equity securities and warrants and rights relating to equity securities. The Fund may also invest in depositary receipts representing interests in securities of foreign issuers. The Fund focuses on large capitalization companies but may also invest in mid and small capitalization companies.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor") is the Fund's investment advisor. The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. Most of the Fund's investments will be in securities contained in the Fund's benchmark index. However, the Fund's portfolio may deviate from the mix of stocks in the index by overweighting some of these stocks while underweighting or excluding other index stocks. The Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which index stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

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In selecting individual companies for investment, the Advisor looks for:

- Low market valuations measured by the Advisor's fundamental analysis and valuation models
- Experienced and effective management
- Effective research, product development and marketing
- Competitive advantages
- Strong cash flow
- Positive changes in management, products or strategy not yet recognized by the marketplace

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The U.S. stock market goes down. - An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
SPECIAL RISKS OF SMALL AND MID-CAPITALIZATION COMPANIES	Securities of small capitalization companies, and to a lesser extent mid-capitalization companies, present greater risks than securities of larger, more established companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these securities may be harder to sell, which may further depress their prices.
SPECIAL RISKS OF UNSEASONED COMPANIES	The Fund may invest in relatively new or unseasoned companies that are in their early stages of development. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies may have greater risks because they: - May have recently commenced operations - May be dependent on a small number of products or services - May lack substantial capital reserves - Do not have proven track records
DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

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NO GOVERNMENT GUARANTEE	An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs") and Global Depositary Receipts ("GDRs"). The Fund's investments in ADRs, EDRs and GDRs are subject to the risk that such foreign investments may be more volatile that U.S. investments. The Fund may invest in issuers at all capitalization levels.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund's equity investment may include investment in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, the Fund may invest a portion of its assets in shares of UBS Large-Cap Select Equity Relationship Fund, UBS U.S. Intermediate Cap Equity Relationship Fund and UBS U.S. Small Cap Equity Relationship Fund.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign subsidiaries, but it does not generally receive advice or recommendations regarding the purchase or sale of securities from such subsidiaries. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Mr. John Leonard is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Leonard has access to certain members of the North American Equities investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various sectors and markets in the Fund. Mr. Leonard as coordinator has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard and certain key members of the team is provided below.

JOHN LEONARD is Head of North American Equities and Deputy Global Head of Equities at UBS Global Asset Management. Mr. Leonard is also a Managing Director of UBS Global Asset Management and has been an investment professional with UBS Global Asset Management since 1991.

THOMAS M. COLE is Head of Research - North American Equities and a Managing Director at UBS Global Asset Management. Mr. Cole has been an investment professional with UBS Global Asset Management since 1995.

THOMAS DIGENAN has been a North American Equity Strategist at UBS Global Asset Management since 2001 and is an Executive Director of UBS Global Asset Management. Mr. Digenan was President of The UBS Funds from 1993 to 2001.

SCOTT HAZEN has been a North American Equity Strategist at UBS Global Asset Management since 2004 and is an Executive Director of UBS Global Asset Management. From 1992 until 2004, Mr. Hazen was a Client Service and Relationship Management professional with UBS Global Asset Management.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

As of April 29, 2004, the Fund's name changed from UBS U.S. Equity Relationship Fund to UBS U.S. Large Cap Equity Relationship Fund.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers,

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investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this

policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Securitized Mortgage Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Lehman Brothers MBS Fixed Rate Index (the "Lehman Index"). The benchmark covers the 15-year, 30-year, and balloon mortgage-backed pass-through securities of the Government National Mortgage Association (Ginnie Mae), Freddie Mac (formerly known as Federal Home Loan Mortgage Corporation or FHLMC)), and Fannie Mae (formerly known as Federal National Mortgage Association or FNMA)). Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in mortgage-related and mortgage-backed securities of U.S. issuers. The Fund may also invest up to 20% of its net assets in U.S. dollar denominated fixed income securities of foreign issuers. CREDIT QUALITY: The Fund will invest in investment grade securities. MATURITY/DURATION: The Fund will invest in fixed income securities with an initial maturity of over one year.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, uses an investment style singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this strategy, the Advisor generally purchases for the Fund the types of securities contained in the Fund's benchmark, the Lehman Index. The Advisor will attempt to enhance the Fund's long-term return and risk relative to that of the benchmark. Thus, the relative weightings of different types of securities in the Fund's portfolio will not necessarily match those of the benchmark. In deciding which securities to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental value. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

The Fund may invest in all types of mortgage-related and mortgage-backed securities, primarily of U.S. issuers. The Advisor emphasizes

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those fixed income market sectors and selects for the Fund those securities that appear to be most undervalued relative to their yields and potential risks. In analyzing the relative attractiveness of sectors and selecting securities, the Advisor considers:

- Potential for capital appreciation.
- Anticipated changes in average prepayment rates.
- Anticipated changes in interest rate volatility.
- Current yield.
- Current credit quality as well as possible credit upgrades or downgrades.
- Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities.
- Duration.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF MORTGAGE-RELATED AND MORTGAGE-BACKED SECURITIES AND FIXED INCOME INVESTMENTS

- Interest rates may vary. If interest rates rise, the prices of mortgage-backed, mortgage-related and other fixed income securities in the Fund's portfolio may fall. The value of some mortgage-backed, mortgage-related and other fixed income securities may be particularly sensitive to changes in prevailing interest rates. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

RISKS OF U.S. GOVERNMENT AGENCY OBLIGATIONS

Government agency obligations have different levels of credit support, and therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. government that are supported by the full faith and credit of the United States, such

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as the Federal Housing Administration and Ginnie Mae, present little credit risk. Other securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, such as securities issued by Federal Home Loan Banks, and securities issued by agencies and instrumentalities sponsored by the U.S. government that are supported only by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk.

DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
FOREIGN RISKS	The Fund's investments in securities of foreign issuers may be more volatile due to unfavorable foreign government actions, political instability or the absence of accurate information about foreign issuers.
NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

MORTGAGE-BACKED AND MORTGAGE-RELATED SECURITIES

The Fund's mortgage-backed, mortgage-related and asset-backed securities are collateralized or backed by mortgages or other real property and may have all types of interest rate payment and reset terms, including fixed rate, adjustable and floating rate, pay-in-kind and auction rate features. These fixed income securities may include:

- government agency and privately issued mortgage-backed securities
- commercial mortgage-backed securities
- collateralized mortgage and bond obligations
- residential and agency and whole loan pass-through securities
- Real Estate Mortgage Investment Conduits (REMICs) collateralized by agency and private label pass-through securities (fixed and adjustable rate)
- home equity loan asset-backed securities
- manufactured housing asset-backed securities

OTHER FIXED INCOME SECURITIES

In addition to mortgage-backed and mortgage-related securities, the Fund may invest in a variety of other fixed income securities, which also may have all types of interest rate payment and reset terms, including fixed rate, adjustable and floating rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- U.S. Treasury and agency bills, notes and bonds
- convertible securities
- when-issued securities
- repurchase agreements
- financial futures and options based on the Fund's permitted fixed income investments
- money market instruments (such as commercial paper and bank instruments)

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated "investment grade" by at least one nationally recognized statistical rating organization.
- They are unrated securities that the Advisor believes are of comparable quality at the time of purchase.

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, in the market value of securities held by or to be bought for the Fund.

- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security or index. Examples of derivative contracts are futures contracts; options; interest rate swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

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INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund will invest in other series of the Trust only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign subsidiaries, but it does not generally receive advice or recommendations regarding the purchase or sale of securities from such subsidiaries. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.1375% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

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PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis.

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The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used

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to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized

matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for

regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the

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shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Treasury Inflation Protected Securities Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Citigroup Inflation Linked Securities Index. The benchmark is a broad-based index comprised of U.S. Treasury securities that measures the return of debentures with fixed rate coupon payments that adjust for inflation as measured by the Consumer Price Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in Treasury Inflation Protected Securities ("TIPS") issued by the U.S. Treasury. The Fund may also invest up to 20% of its net assets in fixed income securities issued by U.S. corporations and the U.S. government, its agencies and its instrumentalities. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes. CREDIT QUALITY: The Fund will invest only in investment grade securities. MATURITY: UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, does not manage the Fund with a target maturity or duration. The Fund's securities may be of any maturity.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF FIXED INCOME INVESTMENTS	- U.S. interest rates may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. This is known as interest rate risk. - The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk. - As a result of declining interest rates, the issuer of a security may

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exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.

- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

DERIVATIVES RISK — The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION — The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE — An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE — The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

TREASURY INFLATION PROTECTED SECURITIES

TIPS are securities issued by the U.S. Treasury designed to provide investors a long-term vehicle that is not vulnerable to inflation. The interest rate paid by TIPS is fixed while the principal value rises or falls based on changes in a published Consumer Price Index. If inflation occurs, the principal and interest payments on the TIPS are adjusted accordingly to protect investors from inflationary loss. During a deflationary period, the principal and interest payments decrease, although the TIPS' principal will not drop below its face amount at maturity.

FIXED INCOME SECURITIES

Fixed income securities purchased by the Fund will be U.S. dollar denominated or have coupons payable in U.S. dollars. The Fund may invest in all types of fixed income securities of U.S. issuers. The Fund's investments will represent a range of maturities, credit qualities and sectors. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, variable rate, floating rate, inflation-indexed, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- leveraged derivative securities
- convertible securities
- when-issued securities

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- repurchase agreements

CREDIT QUALITY

Securities are investment grade if, at the time of purchase:

- They are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization
- They have received a comparable short-term or other rating
- They are unrated securities that the Advisor believes are of comparable quality

The Fund may choose not to sell securities that are downgraded, after their purchase, below the Fund's minimum acceptable credit rating.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes caused by changing interest rates in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

Although the Fund will not ordinarily invest in equity securities, it is permitted to invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series of the Trust only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may

invest up to 100% of the Fund's assets in money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The

Advisor has agreed to cap the Fund's total operating expenses at 0.0475% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection,

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and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

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A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

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PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair

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market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event"

(E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading.

Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

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As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Absolute Return Bond Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	The Fund seeks to achieve consistent absolute positive returns over time regardless of the market environment.
PERFORMANCE BENCHMARK	LIBOR. LIBOR is a short-term interest rate that banks charge one another and that is generally representative of the most competitive and current cash rates available.
PRINCIPAL INVESTMENTS	The Fund invests in securities and other investments to gain exposure to global fixed income markets and generate positive returns under a variety of market cycles. The Fund invests in fixed income securities of issuers located within and outside the U.S. Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in fixed income securities and/or investments that provide exposure to fixed income securities. In addition to investments in issuers in developed markets, the Fund also may invest up to 20% of its net assets in debt securities of emerging market issuers. CREDIT QUALITY: The Fund generally will purchase investment grade fixed income securities. However, based on the UBS Global Asset Management (Americas) Inc.'s (the "Advisor") assessment of market conditions, the Fund also may invest up to 20% of its net assets in below investment grade, high yield securities. Below investment grade securities are fixed income securities rated below BBB- by Standard & Poor's Ratings Group or Baa3 by Moody's Investors Service, Inc. MATURITY/DURATION: The Advisor expects that the duration of the Fund's portfolio will be between approximately +3 years and -3 years depending on the level and expected future direction of interest rates.
PRINCIPAL STRATEGIES	In employing its investment strategies for the Fund, the Advisor attempts to generate positive returns over time regardless of market conditions by managing the risks and market exposures of the Fund's portfolio. The Advisor actively manages portfolio duration along with credit quality, sector and individual security selection, including country and currency exposure. Duration measures a fixed income security's price sensitivity to interest rates by indicating the approximate change in a fixed income security's price if interest rates move up or down in 1% increments. For example, when the level of interest rates increases by 1%, the value of a fixed income security or a portfolio of fixed income securities having a positive duration of three

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years generally will decrease by approximately 3% and the value of a fixed income security or a portfolio of fixed income securities having a negative duration of three years generally will increase by approximately 3%. Conversely, when the level of interest rates decreases by 1%, the value of a fixed income security or a portfolio of fixed income securities having a positive duration of three years generally will increase by approximately 3% and the value of a fixed income security or a portfolio of fixed income securities having a negative duration of three years generally will decrease by approximately 3%.

The Fund intends to use financial futures, forward agreements, options, swaps and other derivatives (collectively, "Derivatives") to manage the risks and market exposures of its portfolio. The Fund may establish short positions in fixed income securities through the use of Derivatives to achieve a negative portfolio duration in an effort to take advantage of periods of rising interest rates and provide the potential for appreciation.

In employing its investment strategies for the Fund, the Advisor attempts to achieve a total rate of return for the Fund that meets or exceeds the return on LIBOR by 0.70% to 0.80% per year, net of fees over full (credit and interest rate) fixed income market cycles. A typical fixed income market cycle is one to three years. The Advisor does not represent or guarantee that the Fund will meet this total return goal.

The Advisor's investment style is focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define long term investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. In analyzing these price/value differences the Advisor also takes into account cyclical market drivers which may influence near term dynamics of market prices.

To implement this style, the Advisor purchases securities for the Fund by using active asset allocation strategies across global fixed income markets and active security selection within each market. In deciding which securities to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that it believes are underpriced relative to their fundamental value.

When determining fundamental value, the Advisor considers broadly based market data and indices that represent asset classes or markets and economic variables such as real interest rates, inflation and monetary policy. The valuation of asset classes reflects an integrated, fundamental analysis of global markets.

The Fund actively manages its currency exposure and attempts to generate positive returns and manage risk through sophisticated currency management techniques, including hedging strategies. These decisions are integrated with analysis of global market and economic conditions.

The Fund may invest in all types of fixed income securities of U.S. and foreign issuers. The Advisor emphasizes those fixed income

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market sectors, and selects for the Fund those securities, that appear to be most undervalued relative to their yields and potential risks. A stringent, research-based approach to issuer selection helps the Advisor to identify the credit quality and relative attractiveness of individual issuers. The Advisor selects individual securities for investment by using duration, yield curve and sector analysis. In analyzing the relative attractiveness of sectors and securities, the Advisor considers:

- Duration

- Yield

- Potential for capital appreciation

- Current credit quality as well as possible credit upgrades or downgrades

- Narrowing or widening of spreads between sectors, securities of different credit qualities or securities of different maturities

- For mortgage-related and asset-backed securities, anticipated changes in average prepayment rates

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The risk that the investment strategies, techniques and risk analyses employed by the Advisor, while designed to enhance potential returns, may not produce the desired results. The Advisor may be incorrect in its assessment of the value of securities or assessment of market or interest rate trends, which can result in losses to the Fund. Also, in some cases derivatives or other investments may be unavailable or the Advisor may choose not to use them under market conditions when their use, in hindsight, may be determined to have been beneficial to the Fund.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in countries where the Fund's investments are principally traded may vary. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. When the Fund has a negative portfolio duration, a decline in interest rates may negatively impact the Fund's value. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may have its credit rating downgraded by a rating organization or may

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be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than higher-rated bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security exercises its right to prepay principal earlier than scheduled, requiring the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected principal payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

FOREIGN COUNTRY AND EMERGING MARKETS RISKS

The values of the Fund's foreign and emerging markets investments may fluctuate or be very volatile because of:

- A decline in the value of foreign currencies relative to the U.S. dollar.
- Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms.
- Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and

uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.

The risks described above are more severe for securities of issuers in emerging market counties than for other foreign investments.

DERIVATIVES RISK	The Fund's investments in derivatives may rise or fall more rapidly than other investments. For some derivatives, it is possible for a Fund to lose more than the amount it invested in the derivative instrument. The use of derivatives may not succeed for various reasons, including unexpected changes in the value of the derivatives or the assets underlying them.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse

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events affecting a particular issuer.

NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

FIXED INCOME SECURITIES

The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate and floating rate features. These fixed income securities may include:

- bills, notes and bonds
- obligations of the U.S. government, its agencies and instrumentalities
- obligations of supranational entities, foreign governments and their subdivisions, agencies and instrumentalities
- corporate debt securities, including convertible securities and corporate commercial paper
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- inflation indexed securities
- equipment trusts
- warrants
- repurchase agreements

CREDIT QUALITY

The Fund invests primarily in investment grade securities. Securities are investment grade if, at the time of purchase:

- they are rated in one of the top four long-term rating categories of a nationally recognized statistical rating organization;
- they have received a comparable short-term or other rating; or
- they are unrated securities that the Advisor believes are of comparable quality.

The Fund may also invest up to 20% of its net assets in below investment grade securities. The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of these securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets. Below investment grade securities are fixed income securities rated below BBB- by Standard & Poor's Ratings Group or Baa3 by Moody's Investors Service, Inc.

DERIVATIVE CONTRACTS

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The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates or currency exchange rates, in the market value of securities held by or to be bought for the Fund.

- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's portfolio.
- To achieve a negative portfolio duration in an effort to take advantage of periods of rising interest rates and provide the potential for appreciation.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's interest rate and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

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The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.10% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

John A. Penicook is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Penicook has access to certain members of the Fixed-Income investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Penicook, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Penicook is provided below.

JOHN A. PENICOOK is the Global Head of Fixed Income at UBS Global Asset Management. Mr. Penicook has been a Managing Director of UBS Global Asset Management since 1995.

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The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or

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holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed

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at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS Emerging Markets Equity Completion Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	To maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Morgan Stanley Capital International Emerging Markets (Free) Index (MSCI-EMF). MSCI-EMF is a market capitalization weighted index which captures 60% of a country's total capitalization while maintaining the overall risk structure of the market. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as its benchmark.
ASSET CLASS EXPOSURE	The Fund is designed as an investment vehicle for use by other Series of the Trust and clients of UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, that are invested in the Advisor's global and international equity investment strategies to provide exposure to the emerging markets equity asset class. The Fund is not intended for use as standalone exposure to the emerging markets asset class.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities that are tied economically to emerging market countries. While the Fund will invest the majority of its assets in large capitalization companies, the Fund will also invest in small and mid capitalization issuers. Securities tied economically to emerging market countries include securities on which the return is derived from issuers in emerging market countries, such as equity swap contracts and equity swap index contracts. The Fund may invest up to 20% of its net assets in debt securities that are tied economically to emerging market countries, including higher risk, below investment grade securities.
WHERE THE FUND INVESTS	The Fund invests in issuers located in at least three emerging market countries, which may be located in Asia, Europe, Latin America, Africa or the Middle East.
WHAT IS AN EMERGING MARKET?	A country defined as an emerging or developing economy by any of the World Bank, the International Finance Corporation or the United Nations or its authorities. The countries included in this definition will change over time.

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WHAT IS AN EMERGING MARKET SECURITY?	A security issued by a government or other issuer that, in the opinion of the Advisor, has one or more of the following characteristics: - The security's principal trading market is an emerging market. - At least 50% of the issuer's revenue is generated from goods produced or sold, investments made, or services performed in emerging market countries. - At least 50% of the issuer's assets are located in emerging market countries.
PRINCIPAL STRATEGIES	The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. To implement this style, the Advisor purchases for the Fund those securities (generally contained in the Fund's benchmark) that appear to be underpriced relative to their fundamental values. The Advisor attempts to identify and exploit discrepancies between market price and fundamental value by analyzing investment fundamentals that determine future cash flows. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes. In selecting individual equity securities for investment, the Advisor considers: - A company's potential cash generation - Above average long-term earnings outlook - Expected sustainable return on investments - Expected sustainable growth rates - Stock prices versus a company's asset or franchise values

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PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK	The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.
RISKS OF EQUITY INVESTMENTS	- The stock markets where investments are principally traded may go down, or go down more than the U.S. or other developed countries' markets. - An adverse event, such as negative press reports about a company may depress the value of the company's stock. - Securities of small capitalization companies present greater risks than securities of larger, more established companies.
SPECIAL RISKS OF SMALL AND MID CAPITALIZATION COMPANIES	Securities of small capitalization companies, and to a lesser extent, mid capitalization companies, present greater risks than securities of larger companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.
FOREIGN COUNTRY AND EMERGING MARKET RISKS	The values of the Fund's foreign and emerging market investments may go down or be very volatile because of: - A decline in the value of foreign currencies relative to the U.S. dollar. - Vulnerability to economic downturns and

instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms. Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.

- Adverse governmental actions, such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt.
- Political and social instability, war and civil unrest.
- Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less

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effective governmental supervision.

RISKS OF FIXED INCOME INVESTMENTS

- Interest rates in emerging market countries may vary, or rates may move faster than in the U.S. and other developed markets. If interest rates rise, the prices of fixed income securities in the Fund's portfolio may fall. Generally, the longer the maturity of a fixed income security, the greater its sensitivity to changes in interest rates. This is known as interest rate risk.
- The issuer of a fixed income security in the Fund's portfolio may default on its obligation to pay principal or interest, may have its credit rating downgraded by a rating organization or may be perceived by the market to be less creditworthy. Lower-rated bonds are more likely to be subject to an issuer's default than investment grade (higher-rated) bonds. This is known as credit risk.
- As a result of declining interest rates, the issuer of a security may exercise its right to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower yielding securities. This is known as call or prepayment risk.
- When interest rates are rising, the average life of securities backed by debt obligations is extended because of slower than expected payments. This will lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk.

DERIVATIVES RISK

The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.

NON-DIVERSIFICATION

The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

NO GOVERNMENT GUARANTEE

An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FLUCTUATING VALUE

The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities, in which the Fund may invest, include common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts. The Fund may invest in equity participation notes on permissible equity securities, provided that the notes are unleveraged

and the counterparties are limited to financial institutions rated at least A1 by Standard & Poor's Ratings Group or P1 by Moody's Investors Service, Inc.

FIXED INCOME SECURITIES

In selecting fixed income securities for the Fund's portfolio, the Advisor looks for securities that provide both a high level of current income and the potential for capital appreciation due to a perceived or actual improvement in the creditworthiness of the issuer. The Fund may invest in all types of fixed income securities of issuers from all countries, in addition to emerging markets. These include:

- Fixed income securities issued or guaranteed by governments, governmental agencies or instrumentalities and political subdivisions located in emerging market countries.
- Participations in loans between emerging market governments and financial institutions.
- Fixed income securities issued by government owned, controlled or sponsored entities located in emerging market countries.
- Interests in entities organized and operated for the purpose of restructuring the investment characteristics of instruments issued by any of the above issuers.
- Brady Bonds.
- Fixed income securities issued by corporate issuers, banks and finance companies located in emerging market countries.
- Fixed income securities issued by supranational entities such as the World Bank. (A supranational entity is a bank, commission or company established or financially supported by the national governments of one or more countries to promote reconstruction or development.)

Fixed income securities purchased by the Fund may be denominated or have coupons payable in any currency and may be of any maturity or duration. The Fund's fixed income securities may have all types of interest rate payment and reset terms, including fixed rate, adjustable rate, zero coupon, pay-in-kind and auction rate features. These fixed income securities may include:

- bills, notes and bonds
- government agency and privately issued mortgage-backed securities
- collateralized mortgage and bond obligations
- asset-backed securities
- structured notes and leveraged derivative securities
- convertible securities
- zero coupon securities
- pay-in-kind and when-issued securities
- preferred stock and trust certificates
- participations in loans made by financial institutions
- repurchase and reverse repurchase agreements

The Fund may invest in U.S. and non-U.S. dollar denominated, fixed income securities that are higher risk, below investment grade securities rated by a nationally recognized statistical rating organization below its top four long-term rating categories or determined by the Advisor to be of comparable quality. Below investment grade securities are commonly known as "junk bonds".

The issuers of below investment grade securities may be highly leveraged and have difficulty servicing their debt, especially during prolonged economic recessions or periods of rising interest rates. The prices of these securities are volatile and may go down due to market perceptions of deteriorating issuer creditworthiness or economic conditions. Below investment grade securities may become illiquid and hard to value in down markets.

MANAGEMENT OF CURRENCY EXPOSURE

Each Fund's allocation among different currencies will be identical to that of its benchmark index. However, each Fund may actively depart from this normal currency allocation when, based on the Advisor's research, the Advisor believes that currency prices deviate from their fundamental values. As described below, each Fund may use derivatives to manage its currency exposure.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing interest rates, stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.
- To shorten or lengthen the effective maturity or duration of the Fund's fixed income portfolio.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts, if it is leveraged, can have a big impact on a Fund's interest rate, stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when interest rates, stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

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In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking a temporary defensive position, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. These factors increase transaction costs, including brokerage commissions, and may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.50% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Mr. Mehran Nakhjavani is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Nakhjavani has access to certain members of the international equity investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research,

security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Mr. Nakhjavani, as lead portfolio manager and coordinator for management of the Fund, has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Nakhjavani is provided below.

MEHRAN NAKHJAVANI is a portfolio manager at UBS Global Asset Management. Mr. Nakhjavani has been an Executive Director of UBS Global Asset Management since 1998 and portfolio manager of the Fund since inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the respective net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $1,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair

market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

TRANSACTION CHARGES

Investors in Fund are subject to a transaction charge on all purchases equal to 0.75% of the net asset value of purchases of the Fund's shares. Investors are also subject to a transaction charge upon redemption of the Fund's shares equal to 0.75% of the net asset value of the redeemed shares.

Shares of the Fund are sold at net asset value plus the transaction charge. Redemption requests for are paid at net asset value less the transaction charge. The proceeds of the transaction charges are retained by the Fund to offset trading costs associated with purchases and redemptions.

Purchases of shares by other series of the Trust investing in the Fund are subject to a transaction charge as set forth above. Redemptions of shares owned by other series of the Trust investing in the Fund are not subject to a transaction charge. Purchases and redemptions made in-kind with securities are not subject to the transaction charge.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been

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halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share (plus any applicable transaction charge) at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

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Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge (except as noted below) on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it

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would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

In addition, the nature of the Fund's portfolio holdings may allow an Investor to engage in a short-term trading strategy to take advantage of possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). Such a delay may occur if the Fund has significant investments in non-US securities, where due to time zone differences, the value of those securities is established some time before the Fund calculates its net asset value. In such circumstances, the available market prices for such non-US securities may not accurately reflect the latest indications of value at the time the Fund calculates its net asset value. There is a possibility that arbitrage market timing may dilute the value of Fund shares if redeeming Investors receive proceeds (and buying Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices. One of the objectives of the Fund's fair value pricing procedures is to minimize the possibilities of this type of arbitrage market timing.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. SMALL-MID CAP CORE EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Small-Mid Cap Core Equity Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this Part A as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 2500 Index. This benchmark is an index composed of the 2,500 smallest companies in the Russell 3000 Index, which represents approximately 16% of the total market capitalization of the Russell 3000 Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. small and mid capitalization companies. Small capitalization companies are companies with market capitalizations of $2.5 billion or less at the time of purchase. Mid capitalization companies are companies with market capitalizations greater than $2.5 billion but less than $10 billion at the time of purchase. The Advisor may modify this definition as market conditions require. In addition, if changes in market value cause a security to move above this level, the Fund is not required to dispose of the security.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. (the

"Advisor"), the Fund's investment advisor, selects for the Fund those equity securities that appear to be undervalued based upon internal research and proprietary valuation systems. The Advisor's research focuses on several levels of analysis, including understanding wealth shifts that occur within the equity market and researching individual companies.

Generally, the Advisor will select for the Fund the securities in the Fund's benchmark. However, the Advisor will attempt to enhance the Fund's long-term return and risk relative to the benchmark. This active management process is intended to produce superior performance relative to the benchmark. In deciding which index stocks to emphasize, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced relative to their fundamental values. The Fund may, but is not required to, invest in derivative contracts in conjunction with hedging strategies, or for investment purposes.

In deciding whether to buy a company for the Fund, the Advisor:

- Quantifies its expectations of a company's ability to generate profit and to grow business into the future.
- Calculates an expected rate of return from the investment in order

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to estimate intrinsic value.
- Compares the estimated intrinsic value to observed market price and ranks the company against other stocks accordingly.

The Advisor looks for companies with the following characteristics:

- Strong management teams
- Significant competitive strengths in growing markets
- Strong financial positions

The Advisor attempts to identify target companies that exhibit:

- Innovative management
- Reasonable price-earnings multiples in relation to long-term earnings prospects
- Strong balance sheets

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK — The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF EQUITY INVESTMENTS
- The U.S. stock market goes down.
- Small and/or mid capitalization stocks are temporarily out of favor.
- An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.

SPECIAL RISKS OF SMALL AND MID CAPITALIZATION COMPANIES — Securities of small capitalization companies, and to a lesser extent, mid capitalization companies, present greater risks than securities of larger companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.

SPECIAL RISKS OF UNSEASONED COMPANIES — The Fund may invest in relatively new or unseasoned companies that are in their early stages of development. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies may have greater risks because they:

- May be dependent on a small number of products or services
- May lack substantial capital reserves
- Do not have proven track records

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DERIVATIVES RISK	The risk that the Fund's investments in derivatives may rise or fall more rapidly than other investments.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE GUARANTEE	An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include dividend-paying securities, common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

- To hedge against adverse changes, caused by changing stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

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The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.12% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

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PORTFOLIO MANAGEMENT

Mr. Wilfred Talbot is the lead portfolio manager for the Fund. UBS Global Asset Management's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. He and his team of analysts work exclusively on small cap core and small cap value investing. Each small cap analyst is assigned a set of industries. The analyst is then responsible for stock selection in those industries. Mr. Talbot oversees the research, conducts research on industries assigned to him, and constructs the small cap portfolios. Mr. Talbot reviews the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard is provided below.

WILFRED TALBOT is has been a Managing Director of UBS Global Asset Management since 1997 and portfolio manager of the Fund since its inception.

The Part B for the Fund provides information about the Fund's portfolio manager's compensation, other accounts managed by the portfolio manager and the portfolio manager's ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights

pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not

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been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net

asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term Investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its Investors.

In addition, the nature of the Fund's portfolio holdings may present opportunities for an Investor to engage in a short-term trading strategy that exploits possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). The Fund may be subject to arbitrage market timing because the Fund has significant holdings in small cap securities, which may have market prices that do not accurately reflect the latest indications of value of these securities at the time that the Fund calculates its net asset value due to, among other reasons, infrequent trading or illiquidity. There is the possibility that arbitrage market timing may dilute the value of the Fund's

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shares if redeeming Investors receive proceeds (and purchasing Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of Investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. SMALL-MID CAP GROWTH EQUITY RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Small-Mid Cap Growth Equity Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this Part A as an Investor.

The Securities and Exchange Commission has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

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INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Maximize total return, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 2500 Growth Index. This benchmark is an index composed of a subset of the 2,500 smallest companies in the Russell 3000 Index that focuses on those companies with relatively higher price-to-book ratios and higher forecasted growth values. The securities in the Russell 2500 Growth Index represent approximately 16% of the total market capitalization of the Russell 3000 Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund may not have the same performance record as the

benchmark.

PRINCIPAL INVESTMENTS

Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. small and mid capitalization companies.

The Fund generally intends to purchase small and mid-capitalization companies with market capitalizations of $4 billion or less at the time of purchase. Small capitalization companies are companies with market capitalizations of $2.5 billion or less at the time of purchase. Mid capitalization companies are companies with market capitalizations greater than $2.5 billion but less than $10 billion at the time of purchase. The Advisor may modify these definitions as market conditions require. In addition, if changes in market value cause a security to move above this level, the Fund is not required to dispose of the security.

The Fund may also invest up to 20% of its net assets in foreign securities.

PRINCIPAL STRATEGIES

UBS Global Asset Management (Americas) Inc. (the "Advisor"), the Fund's investment advisor, seeks to invest in companies that possess dominant market positions or franchises, a major technical edge, or a unique competitive advantage. To this end, the Advisor considers earnings revision trends, positive stock price momentum and sales acceleration when selecting securities. The Fund may invest in emerging growth companies, which are companies that the Advisor expects to experience above-average earnings or cash flow growth or meaningful changes in underlying asset values.

The Fund will generally invest in companies with market capitalizations of $4 billion or less at the time of purchase. However, the Fund may invest a portion of its assets in securities outside of this range. Further, if movement in the market price causes a security to change from one capitalization range to another, the Fund is not required to dispose of the security. However the Advisor typically will sell if the company reaches $10 billion in market cap.

The Fund may invest in cash or cash equivalent instruments, including shares of an affiliated investment company. When market conditions warrant, the Fund may make substantial temporary defensive investments in cash equivalents, which may affect the Fund's ability to pursue its investment objective.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental value of securities acquired by the Fund may prove to be incorrect.

RISKS OF EQUITY INVESTMENTS

- The U.S. stock market goes down.
- Small and/or mid capitalization stocks are temporarily out of favor.
- An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.

SPECIAL RISKS OF SMALL AND MID CAPITALIZATION COMPANIES

Securities of small capitalization companies, and to a lesser extent, mid capitalization companies, present greater risks than securities of larger companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a declining market, these stocks may be harder to sell, which may further depress their prices.

SPECIAL RISKS OF

The Fund may invest in relatively new or unseasoned

UNSEASONED COMPANIES	companies that are in their early stages of development. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies may have greater risks because they: - May be dependent on a small number of products or services - May lack substantial capital reserves - Do not have proven track records]

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FOREIGN COUNTRY RISKS	The values of the Fund's foreign investments may go down or be very volatile because of: - A decline in the value of foreign currencies relative to the U.S. dollar. - Vulnerability to economic downturns and instability due to undiversified economies; trade imbalances; inadequate infrastructure; heavy debt loads and dependence on foreign capital inflows; governmental corruption and mismanagement of the economy; and difficulty in mobilizing political support for economic reforms. - Adverse governmental actions such as nationalization or expropriation of property; confiscatory taxation; currency devaluations, interventions and controls; asset transfer restrictions; restrictions on investments by non-citizens; arbitrary administration of laws and regulations; and unilateral repudiation of sovereign debt. - Political and social instability, war and civil unrest. - Less liquid and efficient securities markets; higher transaction costs; settlement delays; lack of accurate publicly available information and uniform financial reporting standards; difficulty in pricing securities and monitoring corporate actions; and less effective governmental supervision.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.
NO GOVERNMENT GUARANTEE	An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include dividend-paying securities, common stock, shares of collective trusts and investment companies, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

DERIVATIVE CONTRACTS

The Fund may, but is not required to, use derivative contracts for any of the following purposes:

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- To hedge against adverse changes, caused by changing stock market prices or currency exchange rates, in the market value of securities held by or to be bought for the Fund.
- As a substitute for purchasing or selling securities.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market and currency exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices or currency rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

INVESTMENT IN SECURITIES OF OTHER SERIES

The Fund may invest a portion of its assets in securities of other series offered by the Trust. The Fund will invest in other series only to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities

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and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.12% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Paul Graham and David Wabnik are the portfolio managers for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. The portfolio managers have access to members of the US Equities Growth investment management team, each of whom has some responsibility for research and security selection. The portfolio managers also may have access to additional portfolio managers and analysts within the various asset classes and markets in which the Fund invests. Information about Mr. Graham and Mr. Wabnik is provided below.

PAUL GRAHAM is the Head of US Growth Equities at UBS Global Asset Management. Mr. Graham has been an employee of UBS Global Asset Management since 1994, a

Managing Director of UBS Global Asset Management since 2003, and portfolio manager of the Fund since inception.

DAVID WABNIK is a Senior Portfolio Manager at UBS Global Asset Management. Mr. Wabnik has been an employee of UBS Global Asset Management since 1995, an Executive Director of UBS Global Asset Management since 2001, and portfolio manager of the Fund since inception.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's

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complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to Investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call 312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

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Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on

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comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing Investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

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By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the

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redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

The interests of the Fund's long-term Investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its Investors.

In addition, the nature of the Fund's portfolio holdings may present opportunities for an Investor to engage in a short-term trading strategy that exploits possible delays between the change in the Fund's portfolio holdings and the reflection of that change in the Fund's net asset value (often called "arbitrage market timing"). The Fund may be subject to arbitrage market timing because the Fund has significant holdings in small cap securities, which may have market prices that do not accurately reflect the latest indications of value of these securities at the time that the Fund calculates its net asset value due to, among other reasons, infrequent trading or illiquidity. There is the possibility that arbitrage market timing may dilute the value of the Fund's shares if redeeming Investors receive proceeds (and purchasing Investors receive shares) based upon a net asset value that does not reflect appropriate fair value prices.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of Investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its Investors. If the Advisor determines, in its sole discretion, that an Investor has engaged in market timing, the Investor will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS RELATIONSHIP FUNDS

UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND

PART A

MAY 2, 2005

UBS U.S. Equity Long/Short Relationship Fund (the "Fund") issues its beneficial interests ("shares") only in private placement transactions that do not involve a public offering within the meaning of Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus is not offering to sell, or soliciting any offer to buy, any security to the public within the meaning of the Securities Act. The Fund is a series of UBS Relationship Funds (the "Trust").

Only "accredited investors," as defined in Regulation D under the Securities Act, may invest in the Fund. Accredited investors include common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts and similar organizations. Each accredited investor that holds shares of the Fund is referred to in this prospectus as an Investor.

The Securities and Exchange Commission (the "SEC") has not approved or disapproved the Fund's shares as an investment or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

OFFEREE NO. ______

INVESTMENT OBJECTIVE AND PRINCIPAL STRATEGIES

INVESTMENT OBJECTIVE AND GOALS	Achieve long-term total returns, consisting of capital appreciation and current income, while controlling risk.
PERFORMANCE BENCHMARK	Russell 1000 Index. This benchmark is a broad-based, capitalization weighted index that measures the performance of the 1,000 largest companies in the Russell 3000 Index, and represents approximately 92% of the total market capitalization of the Russell 3000 Index. Although the benchmark has been selected as a comparative measure of the securities markets in which the Fund invests, the Fund will not have the same performance record as the benchmark.
PRINCIPAL INVESTMENTS	Under normal circumstances, the Fund invests at least 80% of its net assets (plus borrowings for investment purposes, if any) in equity securities of U.S. companies. The Fund will generally invest in equity securities of large and mid capitalization companies but is permitted to invest up to 15% of its assets in small capitalization companies. The Fund will maintain both long positions and short positions in equity securities and securities with equity-like characteristics. For purposes of the Fund's investments, U.S. companies include any company organized outside the of the United States but which: (a) is included in the Fund's benchmark index; (b) has its headquarters or principal location of operations in the United States; (c) whose primary listing is on a securities exchange or market in the United States; or (d) derives a majority of its revenues in the Untied States.
PRINCIPAL STRATEGIES	UBS Global Asset Management (Americas) Inc. is the Fund's investment advisor (the "Advisor"). The Advisor's investment style is singularly focused on investment fundamentals. The Advisor believes that investment fundamentals determine and describe future cash flows that define fundamental investment value. The Advisor tries to identify and exploit periodic discrepancies between market prices and fundamental value. These price/value discrepancies are used as the building blocks for portfolio construction. In constructing the Fund's portfolio, the Advisor uses both quantitative and fundamental analysis to identify securities that are underpriced and overpriced relative to their fundamental value. The Advisor buys securities "long" for the Fund's portfolio that it believes are underpriced and will increase in value, and sells securities "short" that it believes are overpriced and will decline in value. The Fund anticipates that it will normally maintain long positions in equity securities and securities with equity-like characteristics equal to 90% to 130% of the value of its assets, short positions in equity securities and securities with equity-like characteristics equal to 0% to 30% of the value of its assets and cash positions equal to 0% to 10% of the value of its assets. This active management process is intended to

produce superior performance relative to the benchmark.

In employing its investment strategies for the Fund, the Advisor attempts to outperform the Russell 1000 Index by 2.50% to 5.00% per year, gross of fees over a full market cycle. A typical market cycle is 4 to 7 years. The Advisor does not represent or guarantee that the Fund will meet this total return goal.

The Fund may, but is not required to, invest in derivative contracts as a substitute for direct investment or to allow the Fund to remain fully invested while maintaining liquidity.

The Fund may also invest in Exchange Traded Funds ("ETFs") and similarly structured pooled investments in order to provide exposure to the equity markets while maintaining liquidity. The Fund may also engage in short sales of ETFs and similarly structured pooled investment in order to reduce exposure to certain sectors of the equity markets.

PRINCIPAL INVESTMENT RISKS

Investors can lose money in the Fund or the Fund's performance may fall below that of other possible investments. Below is a discussion of the potential risks of the Fund.

MANAGEMENT RISK

The Advisor's judgments about the fundamental values of securities acquired by the Fund may prove to be incorrect. While it is the intent of the Advisor to take long positions in securities that are undervalued and are expected to subsequently outperform the market and short positions in securities that are overvalued and are expected to underperform the market, in various market conditions, there is no assurance that the Advisor will be successful in its selection process.

RISKS OF EQUITY INVESTMENTS

- The U.S. stock market goes down.
- Mid or small capitalization stocks are temporarily out of favor.
- An adverse event, such as negative press reports about a company in the Fund's portfolio, depresses the value of the company's stock.
- While mid capitalization companies may be less volatile than small capitalization companies, they may be less well established and capitalized and their securities may be less liquid than those of large capitalization companies.

SPECIAL RISKS OF SMALL AND MID CAPITALIZATION COMPANIES

Securities of small capitalization companies, and to a lesser extent, mid capitalization companies, present greater risks than securities of larger companies. Smaller companies are often volatile and may suffer significant losses as well as realize substantial growth. In a

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declining market, these stocks may be harder to sell, which may further depress their prices.

SPECIAL RISKS OF UNSEASONED COMPANIES

The Fund may invest in relatively new or unseasoned companies that are in their early stages of development. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies may have greater risks because they:

- May be dependent on a small number of products or services
- May lack substantial capital reserves
- Do not have proven track records

SHORT SALES RISK

There are certain unique risks associated with the use of short sales strategies. When selling a security short, the Advisor will sell a security it does not own at the then-current market price and then borrow the security to deliver to the buyer. The Fund is then obligated to buy the security on a later date so it can return the security to the lender. Short sales therefore involve the risk that the Fund will incur a loss by subsequently buying a security at a higher price than the price at which the Fund previously sold the security short. This would occur if the securities lender required the Fund to deliver the securities the Fund had borrowed at the commencement of the short sale and the Fund was unable to either purchase the security at a favorable price or to borrow the security from another securities lender. If this occurs at a time when other short sellers of the sale security also want to close out their positions, a "short squeeze" can occur. A short squeeze occurs when demand is greater than supply for the security sold short. Moreover, because a Fund's loss on a short sale arises from increases in the value of the security sold short, such loss, like the price of the security sold short, is theoretically unlimited. By contrast, a Fund's loss on a long position arises from decreases in the value of the security and therefore is limited by the fact that a security's value cannot drop below zero. Despite the intent to reduce risk by having both long and short positions, it is possible that the Fund's securities held long will decline in value at the same time that the value of the securities sold short increases, thereby increasing the potential for loss.

DERIVATIVES RISK	The Fund's investments in derivatives may rise or fall more rapidly than other investments. For some derivatives, it is possible for the Fund to lose more than the amount it invested in the derivative instrument. The use of derivatives may not succeed for various reasons, including unexpected changes in the value of the derivatives or the assets underlying them.
NON-DIVERSIFICATION	The Fund is non-diversified, which means that it can invest a higher percentage of its assets in any one issuer than a diversified fund. Being non-diversified may magnify the Fund's losses from adverse events affecting a particular issuer.

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NO GOVERNMENT GUARANTEE	An investment in the Fund is NOT a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.
FLUCTUATING VALUE	The value of your investment in the Fund may fluctuate.

MORE ABOUT THE FUND'S INVESTMENTS

EQUITY SECURITIES

Equity securities include common stock, shares of pooled investment funds and ETFs, real estate investment trusts, preferred stock and fixed income securities convertible into common stock, rights, warrants and sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts.

SHORT SALES

When the Fund takes a long position in a security, the Advisor purchases the security outright for the Fund's portfolio. When the Fund takes a short position in a security, the Advisor sells a security that the Fund does not own at the current market price and delivers to the buyer a security that the Fund has borrowed. To complete or close out the short sale transaction, the Fund buys the same security in the market and returns it to the lender. The Fund makes money when the market price of the security goes down after the short sale. Conversely, if the price of the security goes up after the sale, the Fund will lose money because it will have to pay more to replace the borrowed security than it received.

Until the Fund replaces the borrowed security, the Fund is required to maintain during the period of the short sale the short sale proceeds that the broker holds (which may be invested in equity securities) and any additional assets the lending broker requires as collateral. The Fund is also required to designate, on its books or the books of its custodian, liquid assets (less any additional collateral held by the broker) to cover the short sale obligation, marked to market daily. The Fund is also required to repay the lender of the security any dividends or interest that accrue on the security during the period of the loan.

DERIVATIVE CONTRACTS

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or a cash payment that is based on the change in value of a designated security, index or currency. Examples of derivative contracts are futures contracts; options; forward contracts; interest rate, currency and equity swaps; and caps, collars, floors and swaptions.

Even a small investment in derivative contracts can have a big impact on a portfolio's stock market exposure. Therefore, using derivatives can disproportionately increase portfolio losses and reduce opportunities for gains when stock prices are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's portfolio holdings.

Counterparties to over-the-counter derivative contracts present the same types of credit risk as issuers of fixed income securities. Derivatives can also make the Fund's portfolio less liquid and harder to value, especially in declining markets.

DEFENSIVE INVESTING

In response to adverse market, economic, political or other conditions, the Fund may depart from its principal investment strategies by taking temporary defensive positions. The Fund may invest up to 100% of its assets in all types of money market and short-term fixed income securities. By taking these temporary defensive positions, the Fund may affect its ability to achieve its investment objective.

IMPACT OF HIGH PORTFOLIO TURNOVER

The Fund may engage in active and frequent trading to pursue its principal investment strategies. Frequent trading increases transaction costs, including brokerage commissions, which could detract from the Fund's performance. In addition, high portfolio turnover may result in more taxable capital gains being distributed to Investors subject to tax than would otherwise result if the Fund engaged in less portfolio turnover.

COMMODITY POOL OPERATOR EXEMPTION

The Trust has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, is not subject to registration or regulation as a pool operator under the CEA.

THE ADVISOR

The Advisor has been appointed by the Trust as its investment advisor and furnishes investment advisory and asset management services to the Trust with respect to its series. UBS Global Asset Management (Americas) Inc., a Delaware corporation located at One North Wacker Drive, Chicago, IL 60606, is an investment advisor registered with the U.S. Securities and Exchange Commission. As of December 31, 2004, the Advisor had approximately $61.3 billion in assets under management. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. UBS is an internationally diversified organization headquartered in Zurich, Switzerland, with operations in many areas of the financial services industry.

Pursuant to its investment advisory agreement with the Trust (the "Advisory Agreement"), the Advisor is authorized, at its own expense, to obtain statistical and other factual information and advice regarding economic factors and trends from its foreign affiliates, to utilize the trading departments of its foreign affiliates and to obtain investment services from certain investment advisory personnel of its affiliates located around the world, to the extent permitted under interpretations of the federal securities laws. With appropriate approval, the Advisor may also engage, at its own expense, the services of investment sub-advisors to manage all or a portion of the Fund's assets. The Advisor does not receive any compensation under the Advisory Agreement. The Advisor has agreed to cap the Fund's total operating expenses at 0.40% of the Fund's average net assets. The Advisor may discontinue this expense limitation at any time.

PORTFOLIO MANAGEMENT

Mr. John Leonard is the lead portfolio manager for the Fund. The Advisor's investment professionals are organized into investment management teams, with a particular team dedicated to a specific asset class. Mr. Leonard has access to certain members of the North American Equities investment management team, each of whom is allocated a specified portion of the portfolio over which he or she has independent responsibility for research, security selection, and portfolio construction. The team members also have access to additional portfolio managers and analysts within the various sectors and markets in the Fund. Mr. Leonard as coordinator has responsibility for allocating the portfolio among the various managers and analysts, occasionally implementing trades on behalf of analysts on the team and reviewing the overall composition of the portfolio to ensure its compliance with its stated investment objectives and strategies. Information about Mr. Leonard and certain key members of the team is provided below.

JOHN LEONARD is Head of North American Equities and Deputy Global Head of Equities at UBS Global Asset Management. Mr. Leonard is also a Managing Director of UBS Global Asset Management and has been an investment professional with UBS Global Asset Management since 1991.

THOMAS M. COLE is Head of Research - North American Equities and a Managing Director at UBS Global Asset Management. Mr. Cole has been an investment professional with UBS Global Asset Management since 1995.

THOMAS DIGENAN has been a North American Equity Strategist at UBS Global Asset Management since 2001 and is an Executive Director of UBS Global Asset Management. Mr. Digenan was President of The UBS Funds from 1993 to 2001.

SCOTT HAZEN has been a North American Equity Strategist at UBS Global Asset Management since 2004 and is an Executive Director of UBS Global Asset Management. From 1992 until 2004, Mr. Hazen was a Client Service and Relationship Management professional with UBS Global Asset Management.

The Part B for the Fund provides information about the Fund's portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. Additionally, you may obtain copes of Forms N-Q from the Fund upon request by calling 1-800-647-1568. The Fund's complete schedule of portfolio holdings for the second and fourth quarters of each fiscal year are filed with the SEC on Form N-CSR and appear in the semi-annual and annual reports, respectively, sent to investors. Please consult the Fund's Part B for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

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DIVIDENDS AND DISTRIBUTIONS

The Fund does not currently intend to declare and pay dividends or pay distributions to Investors except as may be determined by the Board of Trustees (the "Board") of the Trust.

FEDERAL INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, each Investor reports separately on its own income tax return its distributive share of the Fund's income, gains, losses, deductions and credits (including foreign tax credits for creditable foreign taxes imposed on the Fund). Each Investor is required to report its distributive share of such items regardless of whether it has received or will receive a corresponding distribution of cash or property from the Fund. In general, distributions of money by the Fund to an Investor will represent a non-taxable return of capital up to the amount of an Investor's adjusted tax basis. The Fund, however, does not currently intend to declare and pay distributions to Investors except as may be determined by the Board of the Trust.

When you sell shares of the Fund, you may have a capital gain or loss. For tax purposes, an exchange of your shares in the Fund for shares of a different series of the Trust is the same as a sale.

A distribution in partial or complete redemption of your shares in the Fund is taxable as a sale or exchange only to the extent the amount of money received exceeds the tax basis of your entire interest in the Fund. Any loss may be recognized only if you redeem your entire interest in the Fund for money.

An allocable share of a tax-exempt Investor's income will be "unrelated business taxable income" ("UBTI") to the extent that the Fund borrows money to acquire property or invests in assets that produce UBTI.

The Fund will not be a "regulated investment company" for federal income tax purposes.

For a more complete discussion of the federal income tax consequences of investing in the Fund, see Item 19 in Part B.

INVESTOR INQUIRIES

Investor inquiries should be addressed to the Trust, c/o Joseph Anderson, One North Wacker Drive, Chicago, Illinois 60606, or an Investor may call

312-525-7100.

PURCHASE, REDEMPTION AND EXCHANGE INFORMATION

PURCHASE OF SECURITIES BEING OFFERED

Shares of the Fund are restricted securities and are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in the Fund may be made only by "accredited investors" within the meaning of Regulation D under the Securities Act, which include, but are not limited to, common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or

entities. The registration statement of which this prospectus is a part does not constitute an offer to sell, or the solicitation of an offer to buy, any "security" to the public within the meaning of the Securities Act.

Shares of the Fund may be purchased directly by eligible Investors at the net asset value next determined after receipt of the order in proper form by the Trust. The minimum initial purchase amount is $10,000,000. In the sole discretion of the Advisor, the minimum purchase amount may be waived or modified. There is no sales load in connection with the purchase of shares. The Trust reserves the right to reject any purchase order and to suspend the offering of shares of the Fund.

At the discretion of the Fund, Investors may be permitted to purchase Fund shares by transferring securities to the Fund that meet the Fund's investment objective and policies. Securities transferred to the Fund will be valued in accordance with the same procedures used to determine the Fund's net asset value at the time of the next determination of net asset value after such receipt. Shares issued by the Fund in exchange for securities will be issued at net asset value determined as of the same time. All dividends, interest, subscription, or other rights pertaining to such securities after such transfers to the Fund will become the property of the Fund and must be delivered to the Fund by the Investor upon receipt from the issuer. Investors that are permitted to transfer such securities may be required to recognize a taxable gain on such transfer and pay tax thereon, if applicable, measured by the difference between the fair market value of the securities and the Investors' basis therein but will not be permitted to recognize any loss. The Trust will not accept securities in exchange for shares of the Fund unless: (1) such securities are, at the time of the exchange, eligible to be included in the Fund's investment portfolio and current market quotations are readily available for such securities; and (2) the Investor represents and warrants that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Fund under the Securities Act or under the laws of the country in which the principal market for such securities exists, or otherwise.

NET ASSET VALUE

The price at which you may buy, redeem or exchange Fund shares is based on the net asset value per share. The Fund calculates net asset value on days that the New York Stock Exchange ("NYSE") is open. The Fund calculates net asset value as of the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). The NYSE normally is not open, and the Fund does not price its shares, on most national holidays and on Good Friday. The net asset value per share is computed by adding the value of all securities and other assets in the portfolio, deducting any liabilities (expenses and fees are accrued daily) and dividing by the number of shares outstanding.

The Fund calculates its net asset value based on the current market value for its portfolio securities. The Fund normally obtains market values for its securities from independent pricing services that use reported last sales prices, current market quotations or, if market prices are not readily available, valuations from computerized 'matrix' systems that derive values based on comparable securities. If a market value is not available from an independent pricing source for a particular security, that security is valued at a fair value determined by or under the direction of the Trust's Board. The Fund normally uses the amortized cost method to value bonds that will mature in 60 days or less.

The Trust's Board of Trustees has delegated to the UBS Global Asset Management Funds' Valuation Committee the responsibility for making fair value determinations with respect to the Fund's portfolio securities. The types of securities for which such fair value pricing may be necessary include, but are not limited to: foreign securities under some circumstances, securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that are in default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale. The need to fair value the Fund's portfolio securities may also result from low trading volume in foreign markets or thinly traded domestic securities, and when a security subject to a trading limit or collar on the exchange or market on which it is primarily traded reaches the "limit up" or "limit down" price and no trading has taken place at that price.

The Fund expects to price most of its portfolio securities based on current market value, as discussed above. Securities and assets for which market quotations are not readily available may be valued based upon appraisals received from a pricing service using a computerized matrix system or formula method that takes into consideration market indices, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. Securities also may be valued based upon appraisals derived from information concerning the security or similar securities received from recognized dealers in those securities. If the Fund concludes that a market quotation is not readily available for a Fund's portfolio security for any number of reasons, including the occurrence of a "significant event" (E.G., natural disaster or governmental action), after the close of trading in its principal domestic or foreign market but before the close of regular trading on the NYSE, the Fund may use fair value methods to reflect those events. This policy is intended to assure that the Fund's net asset value fairly reflects security values as of the time of pricing.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share. As a result, the Fund's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing investors.

EXCHANGES OF SHARES

Shares of the Fund may be exchanged for shares of the other series of the Trust on the basis of current net asset values per share at the time of exchange. Fund shares may be exchanged by written request or by telephone if the Investor has previously signed a telephone authorization. The telephone exchange privilege may be difficult to implement during times of drastic economic or market changes. The Fund reserves the right to restrict the frequency of, or otherwise modify, condition, terminate or impose charges upon the exchange privilege and/or telephone transfer privileges upon 60 days' prior written notice to Investors.

By exercising the telephone exchange privilege, the Investor agrees that the Fund will not be liable for following instructions communicated by telephone that the Fund reasonably believes to be genuine. The Fund provides written confirmation of transactions initiated by telephone as a procedure designed to confirm that telephone transactions are genuine. As a result of this

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policy, the Investor may bear the risk of any financial loss resulting from such transaction; provided, however, if the Fund or its transfer agent, J.P. Morgan Investor Services Co. ("J.P. Morgan"), fails to employ this and other appropriate procedures, the Fund or J.P. Morgan may be liable for any losses incurred.

Exchanges may be made only for shares of a series of the Trust then offering its shares for sale in the Investor's state of residence and are subject to the minimum initial investment requirement and the payment of any transaction charges that may be due to such series of the Trust. For federal income tax purposes, an exchange of shares would be treated as if the Investor had redeemed shares of the Fund and reinvested in shares of another series of the Trust. Gains or losses on the shares exchanged are realized by the Investor at the time of the exchange. Any Investor wishing to make an exchange should first obtain and review the prospectus of the series into which the Investor wishes to exchange. Requests for telephone exchanges must be received by the transfer agent, J.P. Morgan, by the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE on any day that the NYSE is open for regular trading. Requests for exchanges received prior to the close of regular trading hours on the NYSE will be processed at the net asset value computed on the date of receipt. Requests received after the close of regular trading hours will be processed at the next determined net asset value.

REDEMPTION OR REPURCHASE OF SHARES

As stated above in "PURCHASE OF SECURITIES BEING OFFERED," the Fund's shares are restricted securities which may not be sold to investors other than "accredited investors" within the meaning of Regulation D under the Securities Act unless registered under, or pursuant to another available exemption from, the

Securities Act.

An Investor may redeem its shares of the Fund without charge on any business day the NYSE is open by furnishing a request to the Trust. Shares will be redeemed at the net asset value next calculated after an order is received by the Fund's transfer agent in good order. Redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. The Fund normally sends redemption proceeds on the next business day. In any event, redemption proceeds, except as set forth below, are sent within seven calendar days of receipt of a redemption request in proper form. There is no charge for redemptions by wire. Please note, however, that the Investor's financial institution may impose a fee for wire service. The right of any Investor to receive payment with respect to any redemption may be suspended or the payment of the redemption proceeds postponed during any period when the NYSE is closed (other than weekends or holidays) or trading on the NYSE is restricted, or, to the extent otherwise permitted by the Investment Company Act of 1940, as amended, if an emergency exists.

If the Fund determines that it would be detrimental to the best interests of the remaining Investors of the Fund to make payment wholly or partly in cash, the Fund may pay the redemption price, in lieu of cash, in whole or in part by a distribution in kind of securities of the Fund.

MARKET TIMERS

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The interests of the Fund's long-term investors and the Fund's ability to manage its investments may be adversely affected when the Fund's shares are repeatedly bought and sold in response to short-term market fluctuations--sometimes known as "market timing." Market timing may cause the Fund to have difficulty implementing long-term investment strategies, because it would have more difficulty predicting how much cash it would need to have available to meet redemption requests and to invest. Market timing also may force the Fund to sell portfolio securities at disadvantageous times to raise the cash needed to buy a market timer's Fund shares. Market timing also may materially increase the Fund's transaction costs, administrative costs or taxes. These factors may hurt the Fund's performance and its investors.

The Board of Trustees of the Trust has adopted the following policies as a means to discourage, detect and prevent market timing. The Fund will reject purchase orders and exchanges into the Fund by any person, group or account that the Advisor determines to be a market timer. In evaluating the account transactions of investors, the Advisor will consider the potential harm of the trading or exchange activity to the Fund or its investors. If the Advisor determines, in its sole discretion, that a shareholder has engaged in market timing, the shareholder will be temporarily or permanently barred from making future purchases or exchanges into the Fund.

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UBS RELATIONSHIP FUNDS
PART B
STATEMENT OF ADDITIONAL INFORMATION

MAY 2, 2005

ITEM 9. COVER PAGE AND TABLE OF CONTENTS.

UBS Relationship Funds (the "Trust") is a no-load, open-end management investment company which currently offers shares of twenty-nine separate and distinct series representing separate portfolios of investments (individually referred to as a "Fund" and collectively referred to as the "Funds"). Each Fund has its own investment objective. The twenty-nine Funds are:

UBS Global Securities Relationship Fund
UBS U.S. Large Cap Equity Relationship Fund
  (formerly, UBS U.S. Equity Relationship Fund)
UBS Large-Cap Select Equity Relationship Fund
  (formerly, UBS U.S. Large Cap Equity Relationship Fund)
UBS Small-Cap Equity Relationship Fund
  (formerly, UBS U.S. Small Cap Equity Relationship Fund)
UBS U.S. Large-Cap Value Equity Relationship Fund
  (formerly, UBS U.S. Value Equity Relationship Fund)
UBS U.S. Intermediate Cap Equity Relationship Fund
UBS U.S. Treasury Inflation Protected Securities Relationship Fund
UBS U.S. Core Plus Relationship Fund
UBS U.S. Bond Relationship Fund

UBS High Yield Relationship Fund

UBS Global Aggregate Bond Relationship Fund

UBS International Equity Relationship Fund

UBS U.S. Securitized Mortgage Relationship Fund
UBS Short Duration Relationship Fund
UBS Enhanced Yield Relationship Fund

UBS Short-Term Relationship Fund
UBS Opportunistic Emerging Markets Debt Relationship Fund
UBS U.S. Cash Management Prime Relationship Fund

UBS Emerging Markets Equity Relationship Fund

UBS Defensive High Yield Relationship Fund

UBS Emerging Markets Debt Relationship Fund
UBS Opportunistic High Yield Relationship Fund

UBS Corporate Bond Relationship Fund
UBS All Country World Ex US Equity Relationship Fund

UBS Absolute Return Bond Relationship Fund
UBS Emerging Markets Equity Completion Relationship Fund
UBS U.S. Small-Mid Cap Core Equity Relationship Fund
UBS U.S. Small-Mid Cap Growth Relationship Fund
UBS U.S. Equity Long/Short Relationship Fund

Information concerning the Funds is included in the separate Parts A of this Registration Statement (each, a "Part A" and collectively, the "Parts A") dated May 2, 2005.

This Statement of Additional Information is not a prospectus and should be read in conjunction with the Trust's current Parts A relating to the Funds dated May 2, 2005. Much of the information contained herein expands upon subjects discussed in the Parts A. No investment in shares of the Funds should be made without first reading the applicable Part A. A free copy of each Fund's Part A, Annual Report and Semi-Annual Report may be obtained from the Trust at Attn: Joseph Anderson, One North Wacker Drive, Chicago, IL 60606, or by calling the Trust collect at 312-525-7100.

All terms used in this Part B and not otherwise defined herein have the meanings assigned to them in the Parts A. Certain information from the Funds' Annual Report is incorporated herein by reference.

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ITEM 10. TRUST HISTORY.

The Trust is a Delaware statutory trust established on August 16, 1994. Effective as of April 8, 2002, the Trust's name changed from Brinson Relationship Funds to UBS Relationship Funds.

ITEM 11. DESCRIPTION OF THE FUNDS AND THEIR INVESTMENTS AND RISKS.

Each of the Funds, except the UBS U.S. Cash Management Prime Relationship Fund (the "UBS Prime Relationship Fund"), is classified as "non-diversified," as defined in the Investment Company Act of 1940, as amended (the "Investment Company Act"), so that a Fund is not limited in the proportion of the Fund's assets that may be invested in the obligations of a single issuer. To the extent that a Fund's investment portfolio at times includes the securities of a smaller number of issuers than permissible if the Fund were "diversified" (as defined in the Investment Company Act), the Fund may be subject to greater investment and credit risk than an investment company that invests in a broader range of securities. In particular, changes in the financial condition or market assessment of a single issuer may cause greater fluctuations in the net asset value of the Fund's shares.

The Funds do not concentrate investments in a particular industry. Each Fund does not issue senior securities except to the extent consistent with its policies described below and only as permitted under the Investment Company Act. Each Fund's investment objective, its policies concerning the percentage of the Fund's portfolio securities that may be loaned, and its policies concerning borrowing, the issuance of senior securities and concentration are "fundamental." This means that the policies may not be changed without the affirmative vote of the holders of a majority of the Fund's outstanding voting shares. As used in this Part B, a vote of "a majority of the outstanding voting shares" of the Trust or a Fund means the affirmative vote of the lesser of: (i) more than 50% of the outstanding shares of the Trust or Fund, or (ii) 67% of the shares of the Trust or Fund present at a meeting at which more than 50% of the outstanding shares of the Trust or Fund are represented in person or by proxy.

INVESTMENT OBJECTIVES AND POLICIES

The following disclosure supplements disclosure contained in the applicable Parts A relating to the Funds:

UBS GLOBAL SECURITIES RELATIONSHIP FUND. The Fund's benchmark (the "Benchmark") consists of seven indices of predetermined fixed weights that are compiled by an independent data provider. The indices comprising the Benchmark are as follows:

- Wilshire 5000 Index;
- MSCI World Ex USA (Free) Index;
- Citigroup Broad Investment Grade (BIG) Bond Index;
- Citigroup Non-U.S. WGBI Index;
- MSCI Emerging Markets Free Index;
- JP Morgan Emerging Markets Bond Index Global Index; and
- Merrill Lynch High Yield Cash Pay Index.

Each index represents a distinct asset class of the primary wealth-holding public securities markets. These asset classes are U.S. equity, global (ex-U.S.) equity, U.S. fixed income securities, global (ex-U.S.) fixed income securities, emerging market equities, emerging market

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fixed income securities, high yield fixed income securities and cash equivalents. From time to time, the Funds' investment advisor, UBS Global Asset Management (Americas) Inc. (the "Advisor"), may substitute an equivalent index within a given asset class when the Advisor believes that such index more accurately reflects the relevant global market. In order to compile the Benchmark, the Advisor considers the current relative market capitalizations in the world markets (U.S. equity, non-U.S. equity, U.S. bond, non-U.S. bond and cash), as well as the appropriate home bias for U.S. investors, and then weights each relevant index. Based on this weighting, the Advisor determines the return of the relevant indices, applies the index weighting and then determines the return of the Benchmark.

The Advisor will attempt to enhance the long-term return and risk performance of the Fund relative to the Benchmark by deviating from the normal Benchmark mix of asset classes and currencies in reaction to discrepancies between current market prices and asset class fundamental values. Active asset allocation strategy for the Fund will be defined relative to the Benchmark weights, which represent the Fund's normal mix. Decisions to deviate from the normal mix are a blend of rigorous analysis, an understanding of the fundamental relationships among global markets, and the expertise of investment professionals. In the absence of views as to the relative attractiveness across asset classes, the actual Fund weights will be equal to the Benchmark weights. The active management process is intended, by the Advisor, to produce superior performance relative to the Benchmark. The Advisor believes that, over the long term, investing across global equity and fixed income markets based upon discrepancies between market prices and intrinsic or fundamental values may achieve enhanced return while maintaining the same risk relative to the Benchmark.

Fundamental value is considered to be the current value of long-term sustainable future cash flows derived from a given asset class or security. In determining fundamental value, the Advisor takes into consideration broadly based indices representing asset classes or markets and various economic variables such as relative productivity, relative inflation and global competitiveness. The valuation of asset classes reflects an integrated, fundamental analysis of global markets. Investment decisions are based on comparisons of current market prices to fundamental values.

The normal asset allocation mix represents the asset allocation that the Fund would expect to maintain when, in the judgment of the Advisor, global capital markets are fairly priced relative to each other and relative to the associated risks.

EQUITY INVESTMENTS. The Fund expects its U.S. equity investments to emphasize both large and intermediate capitalization companies. In addition, the U.S. equity component may invest in small capitalization issues. The equity markets in the non-U.S. component of the Fund will typically include available shares of larger capitalization companies. Capitalization levels are measured relative to specific markets. Thus large and intermediate capitalization ranges vary country-by-country and may, with respect to certain countries, include capitalization levels that would be included in the small capitalization range in the U.S. market.

The Fund may invest in a broad range of equity securities of emerging market issuers, or securities with respect to which the return is derived primarily from the equity securities of issuers in emerging markets, including common and preferred stocks. The Fund considers a country to be an "emerging market" if it is defined as an emerging or developing economy by any one of the following: the International Bank for Reconstruction and Development (i.e., the World Bank), the International Finance Corporation or the United Nations or its authorities. The

Fund may invest indirectly in emerging market equity securities by purchasing securities of open-end and closed-end investment companies.

FIXED INCOME INVESTMENTS. The Fund may invest in all types of fixed income securities of U.S. and non-U.S. issuers, including governments and governmental entities and supranational issuers as well as corporations and other business organizations. The Fund may purchase U.S. dollar denominated securities that reflect a broad range of investment maturities, qualities and sectors.

The non-U.S. fixed income component of the Fund will typically be invested in government and supranational issues. The Fund may also invest in all debt securities of emerging market issuers, including government and government-related entities (including participations in loans between governments and financial institutions), corporations and entities organized to restructure outstanding debt of issuers in emerging markets, or debt securities on which the return is derived primarily from other emerging market instruments. The Fund may invest indirectly in emerging market debt securities by purchasing securities of open-end and closed-end investment companies.

UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND. The Advisor's perspective for the Fund is that periodically there are exploitable discrepancies between market price and fundamental value. Those price/value discrepancies then become the building blocks for portfolio construction. The successful identification of price/value discrepancies should result in enhanced total performance.

The Fund maintains a global portfolio by investing in the fixed income securities of issuers located throughout the world. The Fund may invest in fixed income securities issued by U.S. and non-U.S. governments, governmental agencies, corporations, and supranational entities, such as the World Bank. The Fund's investment in fixed income securities may include mortgage-backed and asset-backed securities.

UBS SMALL-CAP EQUITY RELATIONSHIP FUND. Each company selected for inclusion in the Fund's portfolio is scrutinized through on-site visits, discussions with investment banking firms and venture capitalists and intensive valuation techniques. The Fund's portfolio emphasizes companies that were developed with the assistance of professional venture capitalists. The Advisor monitors and assesses the degree to which the Fund's portfolio emphasizes industries or common types of stocks, and adjusts the portfolio to balance the price/value opportunities with such industries. The Advisor imposes limits on the degree of investment in specific industries, although the Fund does not intend to concentrate its investments in a particular industry.

UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND AND UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND. Each Fund will maintain a high yield portfolio and under normal market conditions, at least 80% of each Fund's net assets will be invested in fixed income securities that provide higher yields and are lower rated. The Funds do not intend to limit their respective investments in below investment grade, U.S. dollar denominated fixed income securities. The Advisor believes that inefficiencies exist within the high yield bond market that a fundamental value-based investment process can exploit. The Advisor's portfolios are constructed using both top-down and bottom-up investment processes. The Advisor considers macroeconomic variables and industry outlooks in its top-down analysis. The bottom-up approach is the most integral to portfolio construction and forms the basis for credit selection. The Advisor will identify those securities that are believed to have market

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prices that differ from their fundamental value and invest accordingly. The Advisor uses a disciplined investment approach to pursue each Fund's investment objective. The Advisor believes that diversification is one of the most important components in the construction of a high yield portfolio.

UBS U.S. CASH MANAGEMENT PRIME RELATIONSHIP FUND. The UBS Prime Relationship Fund will not invest more than 5% of its total assets in the securities of a single issuer, other than U.S. government securities, rated in the highest rating category by the requisite NRSROs. The UBS Prime Relationship Fund may not invest more than 5% of its total assets (taken at amortized cost) in securities of issuers not in the highest rating category as determined by the requisite number of NRSROs or, if unrated, of comparable quality, with investment in any one such issuer being limited to no more than 1% of such total assets or $1 million, whichever is greater.

U.S. GOVERNMENT SECURITIES. The UBS Prime Relationship Fund may invest in U.S. government securities, which consist of marketable fixed, floating and variable rate securities issued or guaranteed by the U.S. government, its agencies, or by various instrumentalities which have been established or sponsored by the U.S. government ("U.S. government securities"). Certain of these obligations, including U.S. Treasury bills, notes and bonds and securities of Ginnie Mae and the Federal Housing Administration, are issued or guaranteed by the U.S. government and supported by the full faith and credit of the U.S. government. Other U.S. government securities are issued or guaranteed by federal agencies or U.S. government-sponsored enterprises and are not direct obligations of the U.S. government, but involve sponsorship or guarantees by government agencies or enterprises. These obligations include securities that are supported by the right of the issuer to borrow from the U.S. Treasury, such as obligations of Federal Home Loan Banks, and securities that are supported by the credit of the instrumentality, such as Fannie Mae bonds. In this connection, the UBS Prime Relationship Fund may use any portion of its assets invested in U.S. government securities to concurrently enter into repurchase agreements with respect to such securities.

BANK OBLIGATIONS. The UBS Prime Relationship Fund may also invest in bank obligations or instruments secured by bank obligations. These instruments consist of fixed, floating or variable rate certificates of deposit, letters of credit, time deposits and bankers' acceptances issued by banks and savings institutions with assets of at least one billion dollars. Bank obligations may be obligations of U.S. banks, foreign branches of U.S. banks (referred to as "Eurodollar Investments"), U.S. branches of foreign banks (referred to as "Yankee Dollar Investments"), and foreign branches of foreign banks ("Foreign Bank Investments"). When investing in a bank obligation issued by a branch, the parent bank must have assets of at least five billion dollars.

The UBS Prime Relationship Fund may invest only up to 25% of its assets in Eurodollar Investments or Foreign Bank Investments. Investments in Yankee Dollar Investments which are considered domestic banks may only be made if such branches have a federal or state charter to do business in the United States and are subject to U.S. regulatory authorities.

Time deposits are non-negotiable deposits maintained in a foreign branch of a U.S. banking institution for a specified period of time at a stated interest rate. The UBS Prime Relationship Fund may invest not more than 10% of its net assets in time deposits with maturities in excess of seven days.

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COMMERCIAL PAPER. The UBS Prime Relationship Fund may invest in commercial paper of domestic or foreign issuers which is considered by the Fund to present minimal credit risks. Commercial paper must be rated within the two highest rating categories by NRSROs or, if unrated, determined by the Advisor to be of comparable quality.

CORPORATE OBLIGATIONS. The corporate obligations which the UBS Prime Relationship Fund may purchase are fixed, floating or variable rate bonds, debentures or notes which are considered by the UBS Prime Relationship Fund to present minimal credit risks. They must be rated within the two highest rating categories by NRSROs, or if unrated, determined by the Advisor to be of comparable quality. These corporate obligations must mature in 397 calendar days or less. Generally, the higher an instrument is rated, the greater its safety and the lower its yield.

GUARANTEED INVESTMENT CONTRACTS. A "guaranteed investment contract" (also known as a "guaranteed interest contract," "guaranteed income contract," "guaranteed insurance contract," or "guaranteed return contract") ("GIC") is a deferred annuity contract issued by an insurance company under which (a) the contract holder places funds on deposit with the insurer, and (b) the insurer promises to repay the contract holder's deposit(s) plus interest at a guaranteed rate according to a schedule specified in the contract. The terms and conditions of GICs can vary in a variety of ways, including, by way of example, the length of the guarantee period, the period during which the contract holder may make deposits which will be subject to the same guarantee, the extent to which withdrawals are permitted during the guarantee period, and the timing of the insurer's repayment obligation. To the extent that the UBS Prime Relationship Fund cannot dispose of a GIC in the ordinary course of business within seven days at approximately the value at which the Fund has valued the GIC, the Fund will treat the GIC as illiquid and subject to its overall limit on illiquid investments of 10% of the Fund's net assets.

UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND AND UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND. The Funds are designed specifically to provide exposure to particular asset classes and will be employed opportunistically when, in the opinion of the Advisor, exposure to such asset classes is desirable. The Funds invest in a limited number of issuers and are not appropriate for, or available for purchase by, long-term investors. When in the Advisor's opinion, market conditions warrant the allocation of assets into the high yield or emerging markets debt asset classes, the Advisor may allocate assets of other Funds or other advisory clients to the UBS Opportunistic High Yield Relationship Fund and/or UBS Opportunistic Emerging Markets Debt Relationship Fund.

INVESTMENT PRACTICES

The following disclosure supplements disclosure contained in the applicable Parts A relating to the Funds:

U.S. AND NON-U.S. EQUITY SECURITIES

Each Fund (except the UBS Prime Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund and UBS U.S. Treasury Inflation Protected Securities Relationship Fund) may invest in a broad range of equity securities of U.S. and non-U.S. issuers, including common stock of companies or closed-end investment companies, preferred stock, fixed income securities convertible into or exchangeable for common stock, securities such as warrants or rights that are convertible into common stock and sponsored or unsponsored American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs") or Global Depositary Receipts ("GDRs") for those securities.

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ADRs are receipts issued by a U.S. bank or trust company evidencing ownership of underlying securities issued by foreign issuers. ADRs may be listed on a national securities exchange or may be traded in the over-the-counter market. EDRs also represent securities of foreign issuers and are designated for use in European markets. A GDR represents ownership in a non-U.S. company's publicly traded securities that are traded on foreign stock exchanges or foreign over-the-counter markets. Holders of unsponsored ADRs, EDRs or GDRs generally bear all the costs of such facilities. The depository of an unsponsored facility frequently is under no obligation to distribute investor communications received from the issuer of the deposited security or to pass through voting rights to the holders of depositary receipts in respect of the deposited securities.

ISSUER LOCATION

The Advisor considers a number of factors to determine whether an investment is tied to a particular country, including whether the investment is issued or guaranteed by a particular government or any of its agencies, political subdivisions, or instrumentalities; the investment has its primary trading market in a particular country; the issuer is organized under the laws of, derives at least 50% of its revenues from, or has at least 50% of its assets in, a particular country; the investment is included in an index representative of a particular country or region; and the investment is exposed to the economic fortunes and risks of a particular country.

SPECIAL RISKS OF INVESTING IN SMALL CAPITALIZATION COMPANIES

Certain Funds may invest in relatively new or unseasoned companies that are in their early stages of development (sometimes referred to as "post-venture companies"), or small companies positioned in new and emerging industries where the opportunity for rapid growth is expected to be above average. Securities of unseasoned companies present greater risks than securities of larger, more established companies. The companies in which a Fund may invest may have relatively small revenues, limited product lines, and a small share of the market for their products or services. Post-venture companies may lack depth of management or may be unable to internally generate funds necessary for growth or potential development or to generate these funds through external financing on favorable terms. Post-venture companies may be developing or marketing new products or services for which markets are not yet established and may never become established. Due to these and other factors, these companies may suffer significant losses as well as realize substantial growth. Investments in these companies tend to be volatile and are therefore speculative.

Historically, small capitalization stocks have been more volatile in price than larger capitalization stocks. Among the reasons for the greater price volatility of these securities are the less certain growth prospects of smaller firms, the lower degree of liquidity in the markets for such stocks, and the greater sensitivity of small companies to changing economic conditions. Besides exhibiting greater volatility, the values of post-venture company stocks may, to a degree, fluctuate independently of prices for larger company stocks. Therefore, the value of a Fund's shares may be more volatile than the shares of a fund that invests in larger capitalization stocks.

CONVERTIBLE SECURITIES

Each Fund may, to varying degrees, invest in convertible securities. Convertible securities are fixed income securities (i.e., a bond or preferred stock), which may be exchanged for a specified number of shares of common stock, usually of the same company, at specified prices

within a certain period of time. The provisions of any convertible security determine its seniority in a company's capital structure. In the case of subordinated convertible debentures, the holder's claims on the company's assets and earnings are subordinated to the claims of other creditors and are senior to the claims of preferred and common shareholders. In the case of preferred stock and convertible preferred stock, the holder's claims on the company's assets and earnings are subordinated to the claims of all creditors but are senior to the claims of common shareholders. While providing a fixed income (generally higher in yield than the income derivable from common stock but lower than the income afforded by a similar non-convertible security), a convertible security enables the investor also to participate in capital appreciation should the market price of the underlying common stock rise.

U.S. AND NON-U.S. FIXED INCOME SECURITIES (ALL FUNDS)

Each Fund may invest in all types of fixed income securities of U.S. and non-U.S. issuers, including governments and governmental entities and supranational issuers (the only government securities in which the UBS Prime Relationship Fund may invest are U.S. government securities) as well as corporations and other issuers. The Funds may purchase U.S. dollar denominated securities that reflect a broad range of investment securities, qualities and sectors. The UBS U.S. Treasury Inflation Protected Securities Relationship Fund will invest only in securities of U.S. issuers.

Each Fund's non-U.S. fixed income component (except the UBS Prime Relationship Fund and UBS U.S. Treasury Inflation Protected Securities Relationship Fund) will typically be invested in securities issued by governments, corporations and supranational entities. A supranational entity is an entity established or financially supported by national governments of two or more countries to promote reconstruction or development. Examples of supranational entities include, among others, the World Bank, the European Economic Community, the European Coal and Steel Community, the European Investment Bank, the Intra-Development Bank, the Export-Import Bank and the Asian Development Bank.

Debt securities of emerging market issuers include securities issued by government and government-related entities (including participations in loans between governments and financial institutions), corporations and entities organized to restructure outstanding debt of issuers in emerging markets, or debt securities on which the return is derived primarily from other emerging market instruments. The Funds may invest indirectly in emerging market debt securities by purchasing securities of open-end and closed-end investment companies. The Funds may also invest a portion of their assets in securities of other series offered by the Trust. A Fund will invest in other series of the Trust only to the extent the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investing in the series of the Trust as opposed to investing directly in individual securities. For instance, a Fund may invest its assets in emerging market investments by purchasing shares of UBS Emerging Markets Debt Relationship Fund.

HIGH YIELD/LOWER RATED DEBT SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

As set forth in the Parts A, these Funds may invest a portion of their net assets, to varying extents, in convertible and other debt securities rated below "Baa" by Moody's Investors Service, Inc. ("Moody's") or "BBB" by Standard & Poor's Ratings Group ("S&P") or, if unrated, deemed to be of comparable quality by the Advisor (referred to herein as "below investment grade securities"). Ratings represent S&P's and Moody's respective opinions as to the quality of the debt securities they undertake to rate. However, the ratings are general and are not absolute standards of quality. Securities rated below "Baa" by Moody's and "BBB" by S&P are classified as below investment grade securities and are commonly referred to as "junk bonds." These securities are considered to be of poor standing and predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the debt securities and involve major risk exposure to adverse conditions. Such securities are subject to a substantial degree of credit risk. Below investment grade securities held by the Funds may be issued as a consequence of corporate restructurings, such as leveraged buy-outs, mergers, acquisitions, debt recapitalizations or similar events. Also, below investment grade securities are often issued by smaller, less creditworthy companies or by highly leveraged (indebted) firms, which are generally less able than more financially stable firms to make scheduled payments of interest and principal. The risks posed by securities issued under such circumstances are substantial.

Below investment grade securities generally offer a higher current yield than that available from higher-grade securities, but involve greater risk. In the past, the high yields from below investment grade securities have more than compensated for the higher default rates on such securities. However, there can be no assurance that the Funds will be protected from widespread bond defaults brought about by a sustained economic downturn, or that yields will continue to offset default rates on below investment grade securities in the future. Issuers of these securities are often highly leveraged, so that their ability to service their debt obligations during an economic downturn or during sustained periods of rising interest rates may be impaired. In addition, such issuers may not have more traditional methods of financing available to them and may be unable to repay debt at maturity by refinancing. The risk of loss due to default by the issuer is significantly greater for the holders of below investment grade securities because such securities may be unsecured and may be subordinated to other creditors of the issuer. Past economic recessions have resulted in default levels with respect to such securities in excess of historic averages.

The value of below investment grade securities will be influenced not only by changing interest rates, but also by the bond market's perception of credit quality and the outlook for economic growth. When economic conditions appear to be deteriorating, below investment grade securities may decline in market value due to investors' heightened concern over credit quality, regardless of prevailing interest rates.

Especially at such times, trading in the secondary market for below investment grade securities may become thin and market liquidity may be significantly reduced. Even under normal

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conditions, the market for below investment grade securities may be less liquid than the market for investment grade corporate bonds. There are fewer securities dealers in the high yield market and purchasers of below investment grade securities are concentrated among a smaller group of securities dealers and institutional investors.

In periods of reduced secondary market liquidity, below investment grade securities' prices may become more volatile and the Funds' ability to dispose of particular issues when necessary to meet the Funds' liquidity needs or in response to a specific economic event, such as a deterioration in the creditworthiness of the issuer, may be adversely affected.

Below investment grade securities frequently have call or redemption features which would permit an issuer to repurchase the securities from the Funds. If a call were exercised by the issuer during a period of declining interest rates, the Funds likely would have to replace such called security with a lower yielding security, thus decreasing the net investment income to the Funds.

Besides credit and liquidity concerns, prices for below investment grade securities may be affected by legislative and regulatory developments. For example, from time to time, Congress has considered legislation to restrict or eliminate the corporate tax deduction for interest payments or to regulate corporate restructurings such as takeovers or mergers. Such legislation may significantly depress the prices of outstanding below investment grade securities.

Below investment grade securities issued by foreign issuers also entail greater risks than higher rated securities, including the risk of untimely interest and principal payments, default and price volatility. These securities may present problems of liquidity and valuation. A description of various bond ratings appears in Appendix B.

INFLATION PROTECTED SECURITIES (ALL FUNDS)

Each Fund may, to varying degrees, invest in inflation protected securities whose principal and/or interest payments are adjusted for inflation, unlike debt securities that make fixed principal and interest payments. Inflation protected securities include Treasury Inflation Protected Securities ("TIPS"), which are securities issued by the U.S. Treasury. The UBS U.S. Treasury Inflation Protected Securities Relationship Fund will invest, under normal circumstances, at least 80% of its net assets in TIPS. The interest rate paid by TIPS is fixed, while the principal value rises or falls based on changes in a published Consumer Price Index (CPI). Thus, if inflation occurs, the principal and interest payments on the TIPS are adjusted accordingly to protect investors from inflationary loss. During a deflationary period, the principal and interest payments decrease, although the TIPS' principal amounts will not drop below their face amounts at maturity. In exchange for the inflation protection, TIPS generally pay lower interest rates than typical U.S. Treasury securities. Only if inflation occurs will TIPS offer a higher real yield than a conventional Treasury bond of the same maturity.

Other issuers of inflation-protected debt securities include other U.S. government agencies or instrumentalities, corporations and foreign governments. There can be no assurance that the CPI or any foreign inflation index will accurately measure the real rate of inflation in the prices of goods and services. Moreover, there can be no assurance that the rate of inflation in a foreign country will be correlated to the rate of inflation in the United States.

CASH EQUIVALENTS (ALL FUNDS)

Each Fund may invest a portion of its assets in short-term debt securities of corporations, governments or agencies and banks and finance companies which may be denominated in U.S. or non-U.S. currencies (except for the UBS Prime Relationship Fund, UBS Corporate Bond Relationship Fund and the UBS U.S. Securitized Mortgage Relationship Fund, which may invest only in U.S. dollar denominated securities, and the UBS U.S. Treasury Inflation Protected Securities Relationship Fund, which may invest only in U.S. dollar denominated securities and Eurodollar securities). When unusual market conditions warrant, a Fund may make substantial temporary defensive investments in cash equivalents up to a maximum exposure of 100% of the Fund's assets. A Fund's investment in temporary defensive investments may affect the Fund's ability to attain its investment objective.

The short-term debt securities in which a Fund may invest include demand notes, bank instruments, commercial paper and floating rate instruments. Demand notes are securities issued with a maturity date but callable for repayment by the lender or the borrower at a predetermined interval. Bank instruments in which the Fund may invest include bank loan participations, bank holding company commercial paper, deposits, bank notes and other bank related securities. Bank loan participations are loans sold by lending banks to investors. Bank holding company commercial paper is a form of short-term promissory note which is a direct obligation of a bank holding company. Deposits are obligations of a bank or its branches. Corporate commercial paper is a form of short-term promissory note issued by corporations primarily to finance short-term credit needs. Rates vary according to the credit standing of the issuers and money market conditions. Floating rate instruments are obligations with various final maturities and interest rates that are tied to other assorted market indices. Each Fund will not invest more than 15% of the value of its net assets (except the UBS Prime Relationship Fund, which will not invest more than 10% of the value of its net assets) in floating or variable rate demand obligations as to which it cannot exercise the demand feature on not more than seven days' notice if there is no secondary market available for these obligations, and in other securities that are not readily marketable.

Under the terms of an exemptive order issued by the U.S. Securities and Exchange Commission (the "Commission"), certain Funds may invest cash in a series of UBS Supplementary Trust (the "Supplementary Trust Series"):

(a) held for temporary defensive purposes;
(b) not invested pending investment in securities;
(c) that is set aside to cover an obligation or commitment of the Funds to purchase securities or other assets at a later date;
(d) to be invested on a strategic management basis ((a)-(d) are herein referred to as "Uninvested Cash"); and
(e) collateral that the Funds receive from the borrowers of their portfolio securities in connection with the Funds' securities lending program.

UBS Supplementary Trust is a privately offered investment pool that has retained the Advisor to manage the Supplementary Trust Series' investments. The Trustees of UBS Supplementary Trust also serve as trustees of the Trust. The Supplementary Trust Series will invest in U.S. dollar denominated money market instruments having a dollar-weighted average maturity of 90 days or less. A Fund's investment of Uninvested Cash in shares of the Supplementary Trust Series will not exceed 25% of the Fund's total assets. The UBS Prime Relationship Fund may invest all of its assets in the Supplementary Trust-U.S. Cash Management Prime Fund series of the UBS Supplementary Trust.

NON-PUBLICLY TRADED SECURITIES, PRIVATE PLACEMENTS AND RESTRICTED SECURITIES (EACH FUND EXCEPT UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND AND THE UBS PRIME RELATIONSHIP FUND)

Certain Funds may invest in securities that are neither listed on a stock exchange nor traded over-the-counter, including privately placed securities and limited partnerships. Investing in unregistered or unlisted securities, including investments in new and early stage companies, may involve a high degree of business and financial risk that can result in substantial losses. As a result of the absence of a public trading market for these securities, they may be less liquid than publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid by a Fund, or less than what may be considered the fair value of such securities. Furthermore, companies whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements which would be applicable if their securities were publicly traded. If such securities are required to be registered under the securities laws of one or more jurisdictions before being resold, a Fund may be required to bear the expense of registration.

RULE 144A AND ILLIQUID SECURITIES (ALL FUNDS)

Generally, an illiquid security is any security that cannot be disposed of within seven days in the ordinary course of business at approximately the amount at which the Fund has valued the security. Some examples of illiquid securities are (i) securities purchased under Rule 144A ("Rule 144A Securities") under the Securities Act of 1933, as amended (the "Securities Act"), (ii) over-the-counter options, and (iii) certain interest rate swaps. While maintaining oversight, the Board of Trustees (the "Board") has delegated to the Advisor the day-to-day function of determining whether or not Rule 144A Securities are liquid for purposes of each Fund's limitation on investments in illiquid assets. The Board has instructed the Advisor to consider the following factors in determining the liquidity of a Rule 144A Security: (i) the security can be sold within seven days at approximately the same amount at which it is valued by the Fund; (ii) there is reasonable assurance that the security will remain marketable throughout the period it is expected to be held by the Fund, taking into account the actual frequency of trades and quotations for the security (expected frequency in the case of initial offerings); (iii) at least two dealers make a market in the security; (iv) there are at least three sources from which a price for the security is readily available; (v) settlement is made in a "regular way" for the type of security at issue; and (vi) for Rule 144A securities that are also exempt from registration under Section 3(c)(7) of the Investment Company Act, there is a sufficient market of "qualified purchasers" to assure that it will remain marketable throughout the period it is expected to be held by the Fund.

Although it has delegated the day-to-day liquidity determination to the Advisor, the Board will continue to monitor and will periodically review the Advisor's selection of Rule 144A Securities, as well as the Advisor's determination as to their liquidity.

If the Advisor determines that a Rule 144A Security which was previously determined to be liquid is no longer liquid and, as a result, a Fund's holdings of illiquid securities exceed the Fund's applicable 15% limit (or 10% limit, in the case of the UBS Prime Relationship Fund) on

investment in such securities, the Advisor will determine what action shall be taken to ensure that the Fund continues to adhere to such limitation. This may include disposing of illiquid assets, including illiquid Rule 144A Securities.

Rule 144A Securities are traded among qualified institutional buyers. Investing in Rule 144A Securities could have the effect of increasing the level of the Funds' illiquidity to the extent that qualified institutional buyers become, for a time, uninterested in purchasing these securities. After the purchase of a Rule 144A Security, however, the Board and the Advisor will continue to monitor the liquidity of that security to ensure that each Fund has no more than 15% of its net assets (and no more than 10% of the UBS Prime Relationship Fund's net assets) invested in illiquid securities.

Each Fund will limit investments in securities that may not be sold to the public without registration under the Securities Act ("restricted securities") to no more than 15% of each Fund's net assets (and no more than 10% of the UBS Prime Relationship Fund's net assets), excluding restricted securities eligible for resale pursuant to Rule 144A that have been determined to be liquid by the Board.

INVESTMENT COMPANY SECURITIES (ALL FUNDS)

The Funds may invest in securities issued by open-end and closed-end investment companies. Under Section 12(d)(1) of the Investment Company Act, a Fund's investment in such securities, subject to certain exceptions, currently is limited to: (i) no more than 3% of the total voting stock of any one such investment company, (ii) no more than 5% of the Fund's total assets invested in any one such investment company, and (iii) no more than 10% of the Fund's total assets invested in other investment companies in the aggregate. Investments in the securities of other investment companies may involve duplication of certain fees and expenses.

The Trust has received an exemptive order from the Commission which permits each Fund to invest its assets in securities of other series offered by the Trust. A Fund will invest in such series to the extent that the Advisor determines that it is more efficient for the Fund to gain exposure to a particular asset class through investment in a series of the Trust as opposed to investment directly in individual securities. Investments by the Fund in another series of the Trust may involve transaction costs, but not duplication of other fees and expenses because the Advisor and other service providers will waive fees or reimburse expenses to avoid such duplication.

A Fund's investments in any other series of the Trust, each of which invests primarily in one asset class (a "Core Series"), will not be subject to the percentage limitations described above. To the extent that a Fund invests in the Trust's other series ("Other Series") and particular open-end investment companies other than the Core Series, the Fund will be subject to the percentage limitations described above and the Fund's investments in such other investment companies will be aggregated with its investments in the Other Series for purposes of these limitations.

EXCHANGE TRADED FUNDS ("ETFs") (UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND ONLY)

Subject to the limitations on investment in investment company securities as described above under the heading "Investment Company Securities"), the UBS U.S. Equity Long/Short Relationship Fund may invest in ETFs that are currently operational and that may be developed in the future. ETFs generally trade on the American Stock Exchange or New York Stock

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Exchange and are subject to the risks of an investment in a broadly based portfolio of common stocks, including the risk that the general level of stock prices may decline, thereby adversely affecting the value of the investment. These securities generally bear certain operational expenses. To the extent the UBS U.S. Equity Long/Short Relationship Fund invests in these securities, it must bear these expenses in addition to the expenses of its own operation.

FOREIGN AND EMERGING MARKET INVESTMENTS (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND, UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND AND UBS U.S. SMALL-MID CAP GROWTH RELATIONSHIP FUND)

Certain Funds may invest in securities of foreign issuers that are not publicly traded in the United States, and of governmental and supranational entities (entities established or financially supported by national governments of two or more countries to promote reconstruction or development). Certain Funds may also invest in debt securities in which the return is derived primarily from other emerging market instruments.

RISKS OF INVESTING IN FOREIGN SECURITIES. Investing in foreign issuers involves risks, including those set forth in the Funds' Parts A, that are not typically associated with investing in U.S. issuers. There is generally less information available to the public about non-U.S. issuers and less government regulation and supervision of non-U.S. stock exchanges, brokers and listed companies. Non-U.S. companies are not subject to uniform global accounting, auditing and financial reporting standards, practices and requirements. Securities of some non-U.S. companies are less liquid and their prices more volatile than securities of comparable U.S. companies. Securities trading practices abroad may offer less protection to investors. Settlement of transactions in some non-U.S. markets may be delayed or may be less frequent than in the United States, which could affect the liquidity of the Fund. Additionally, in some countries, there is the possibility of expropriation or confiscatory taxation, limitations on the removal of securities, property or other assets of a Fund, political or social instability, or diplomatic developments which could affect U.S. investments in those countries. The Advisor will take these factors into consideration in managing the Funds' investments. Each Fund reserves the right to invest a substantial portion of its assets in one or more countries if economic and business conditions warrant such investments.

The securities of foreign issuers are frequently denominated in foreign currencies, and the Funds may temporarily hold uninvested reserves in bank deposits in foreign currencies. Therefore, the Funds will be affected favorably or unfavorably by changes in currency rates and in exchange control regulations and may incur costs in connection with conversions between various currencies. The U.S. dollar market value of a Fund's investments and of dividends and interest earned by the Fund may be significantly affected by changes in currency exchange rates. The Funds may, but are not required to, enter into forward foreign currency exchange contracts, futures, options or swaps in order to hedge, or enhance returns from, portfolio holdings and commitments against changes in currency rates. Although a Fund may attempt to manage currency exchange rate risk, there is no assurance that the Fund will do so at an appropriate time or that it will be able to predict exchange rates accurately.

There has been in the past, and there may be again in the future, an interest equalization tax levied by the United States in connection with the purchase of the types of foreign securities purchased by the Funds. Payment of such interest equalization tax, if imposed, would reduce the Funds' rates of return on investment. Dividends paid by foreign issuers may be subject to withholding and other foreign taxes which may decrease the net return on such investments as compared to dividends paid to the Funds by U.S. issuers.

RISKS OF INVESTING IN EMERGING MARKETS. The ability of a foreign government or government-related issuer to make timely and ultimate payments on its external debt obligations will be strongly influenced by the issuer's balance of payments, including export performance, its access to international credits and investments, fluctuations in interest rates and the extent of its foreign reserves. A country whose exports are concentrated in a few commodities or whose economy depends on certain strategic imports could be vulnerable to fluctuations in international prices of these commodities or imports. To the extent that a country receives payment for its exports in currencies other than U.S. dollars, its ability to make debt payments denominated in U.S. dollars could be adversely affected. If a foreign government or government-related issuer cannot generate sufficient earnings from foreign trade to service its external debt, it may need to depend on continuing loans and aid from foreign governments, commercial banks, and multilateral organizations, and inflows of foreign investment.

The commitment on the part of these foreign governments, multilateral organizations and others to make such disbursements may be conditioned on the government's implementation of economic reforms and/or economic performance and the timely service of its obligations. Failure to implement such reforms, achieve such levels of economic performance or to repay principal or interest when due may curtail the willingness of such third parties to lend funds, which may further impair the issuer's ability or willingness to service its debts in a timely manner.

The cost of servicing external debt will also generally be adversely affected by rising international interest rates, because many external debt obligations bear interest at rates which are adjusted based upon international interest rates. The ability to service external debt will also depend on the level of the relevant government's international currency reserves and its access to foreign exchange. Currency devaluations may affect the ability of a governmental issuer to obtain sufficient foreign exchange to service its external debt.

As a result of the foregoing, a governmental issuer may default on its obligations. If such a default occurs, a Fund may have limited effective legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting country itself, and the ability of the holder of foreign government and government-related debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial bank debt will not contest payments to the holders of other foreign government and government-related debt obligations in the event of default under their commercial bank loan agreements.

RUSSIAN SECURITIES TRANSACTIONS (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND AND UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND AND UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND)

Certain Funds may invest in securities of Russian companies. The registration, clearing and settlement of securities transactions in Russia are subject to significant risks not normally associated with securities transactions in the United States and other more developed markets. Ownership of shares in Russian companies is evidenced by entries in a company's share register (except where shares are held through depositories that meet the requirements of the Investment Company Act) and the issuance of extracts from the register or, in certain limited cases, by formal share certificates. However, Russian share registers are frequently unreliable and a Fund could possibly lose its registration through oversight, negligence or fraud. Moreover, Russia lacks a centralized registry to record securities transactions and registrars located throughout Russia or the companies themselves maintain share registers. Registrars are under no obligation to provide extracts to potential purchasers in a timely manner or at all and are not necessarily subject to state supervision. In addition, while registrars are liable under law for losses resulting from their errors, it may be difficult for a Fund to enforce any rights it may have against the registrar or issuer of the securities in the event of loss of share registration. Although Russian companies with more than 1,000 shareholders are required by law to employ an independent company to maintain share registers, in practice, such companies have not always followed this law. Because of this lack of independence of registrars, management of a Russian company may be able to exert considerable influence over who can purchase and sell the company's shares by illegally instructing the registrar to refuse to record transactions on the share register. Furthermore, these practices may prevent a Fund from investing in the securities of certain Russian companies deemed suitable by the Advisor and could cause a delay in the sale of Russian securities by the Fund if the company deems a purchaser unsuitable, which may expose the Fund to potential loss on its investment.

In light of the risks described above, the Board has approved certain procedures concerning a Fund's investments in Russian securities. Among these procedures is a requirement that a Fund will not invest in the securities of a Russian company unless that issuer's registrar has entered into a contract with the Fund's sub-custodian containing certain protective conditions including, among other things, the sub-custodian's right to conduct regular share confirmations on behalf of the Fund. This requirement will likely have the effect of precluding investments in certain Russian companies that a Fund would otherwise make.

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BRADY BONDS (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUN, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND D)

Certain Funds may invest in Brady Bonds, which are securities created through the exchange of existing commercial bank loans to public and private entities in certain emerging markets for new bonds in connection with debt restructurings under a debt restructuring plan introduced by former U.S. Secretary of the Treasury, Nicholas F. Brady (the "Brady Plan"). Brady Plan debt restructurings have been implemented to date in Argentina, Brazil, Bulgaria, Costa Rica, Dominican Republic, Ecuador, Jordan, Mexico, Morocco, Nicaragua, Nigeria, the Philippines, Poland, Russia, Uruguay, Panama, Peru and Venezuela. Brady Bonds do not have a long payment history. Brady Bonds may be collateralized or uncollateralized, are issued in various currencies (but primarily the U.S. dollar) and are actively traded in over-the-counter secondary markets. The Funds will only invest in dollar-denominated, collateralized Brady Bonds, which may be fixed-rate bonds or floating-rate bonds, and are generally collateralized in full as to principal by U.S. Treasury zero coupon bonds having the same maturity as the bonds.

Brady Bonds are often viewed as having three or four valuation components: the collateralized repayment of principal at final maturity; the collateralized interest payments; the uncollateralized interest payments; and any uncollateralized repayment of principal at maturity (these uncollateralized amounts constitute the "residual risk"). In light of the residual risk of Brady Bonds and the history of defaults of countries issuing Brady Bonds with respect to commercial bank loans by public and private entities, investments in Brady Bonds may be viewed as speculative. There can be no assurance that the Brady Bonds in which a Fund invests will not be subject to restructuring or to requests for a new credit arrangement which may cause the Fund to suffer a loss of interest or principal in any of its holdings.

STRUCTURED SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND AND UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest a portion of their assets in entities organized and operated solely for the purpose of restructuring the investment characteristics of sovereign debt obligations. This type of restructuring involves the deposit with, or purchase by, an entity, such as a corporation or trust, of specified instruments (such as commercial bank loans or Brady Bonds) and the issuance by that entity of one or more classes of securities ("Structured Securities") backed by, or representing interests in, the underlying instruments. The cash flow of the underlying instruments may be apportioned among the newly issued Structured Securities to create

securities with different investment characteristics, such as varying maturities, payment priorities and interest rate provisions, and the extent of the payments made with respect to Structured Securities is dependent on the extent of the cash flow on the underlying instruments. Because Structured Securities of the type in which the Funds anticipate investing typically involve no credit enhancement, their credit risk generally will be equivalent to that of the underlying instruments. The Funds are permitted to invest in a class of Structured Securities that is either subordinated or unsubordinated to the right of payment of another class. Subordinated Structured Securities typically have higher yields and present greater risks than unsubordinated Structured Securities. Structured Securities are typically sold in private placement transactions, and there currently is no active trading market for Structured Securities. Thus, a Fund's investments in Structured Securities will be limited by the Fund's prohibition on investing more than 15% of its net assets in illiquid securities.

CURRENCY MANAGEMENT (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

To manage exposure to currency fluctuations, a Fund may alter fixed income or money market exposures, enter into forward currency exchange contracts, buy or sell options, futures or options on futures relating to foreign currencies and purchase securities indexed to currency baskets. A Fund may also, but is not required to, use these currency exchange techniques in the normal course of business to hedge against adverse changes in exchange rates in connection with purchases and sales of securities. Some of these strategies may require a Fund to segregate liquid assets in accordance with Commission positions to cover its obligations.

EURODOLLAR SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest in Eurodollar securities, which are fixed income securities of a U.S. issuer or a foreign issuer that are issued outside the United States. Interest and dividends on Eurodollar securities are payable in U.S. dollars.

ZERO COUPON AND DELAYED INTEREST SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP

FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest in zero coupon or delayed interest securities which pay no cash income until maturity or a specified date when the securities begin paying current interest (the "cash payment date") and are sold at substantial discounts from their value at maturity. When held to maturity, their entire income, which consists of accretion of discount, comes from the difference between the purchase price and value at maturity. The discount varies depending on the time remaining until maturity or cash payment date, prevailing interest rates, liquidity of the security and the perceived credit quality of the issuer. The discount, in the absence of financial difficulties of the issuer, decreases as the final maturity or cash payment date of the security approaches. The market prices of zero coupon and delayed interest securities are generally more volatile and more likely to respond to changes in interest rates than the market prices of securities having similar maturities and credit quality that pay interest periodically. Current federal income tax law requires that a holder of a zero coupon or delayed interest security report as income each year the portion of the original issue discount on such security (other than tax-exempt original issue discount) that accrues that year, even though the holder receives no cash payments of interest during the year.

Zero coupon convertible securities offer the opportunity for capital appreciation as increases (or decreases) in market value of such securities closely follow the movements in the market value of the underlying common stock. Zero coupon convertible securities generally are expected to be less volatile than the underlying common stocks as they usually are issued with short maturities (15 years or less) and are issued with options and/or redemption features exercisable by the holder of the obligation entitling the holder to redeem the obligation and receive a defined cash payment.

Zero coupon securities include securities issued directly by the U.S. Treasury, and unmatured interest coupons and receipts for underlying principal ("coupons") of U.S. Treasury securities, which have been separated by their holder, typically a custodian bank or investment brokerage firm. A holder will separate the interest coupons from the underlying principal (the "corpus") of the U.S. Treasury security. A number of securities firms and banks have stripped the interest coupons and receipts and then resold them in custodial receipt programs with a number of different names, including "Treasury Income Growth Receipts" ("TIGRs") and Certificate of Accrual on Treasuries ("CATs"). The underlying U.S. Treasury bonds and notes themselves are held in book-entry form at the Federal Reserve Bank or, in the case of bearer securities (i.e., unregistered securities which are owned ostensibly by the bearer or holder thereof), in trust on behalf of the owners thereof. The staff of the Commission does not consider such privately stripped obligations to be government securities, as defined in the Investment Company Act.

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The U.S. Treasury has facilitated transfers of ownership of zero coupon securities by accounting separately for the beneficial ownership of particular interest coupon and corpus payments on U.S. Treasury securities through the Federal Reserve book-entry record-keeping system. The Federal Reserve program as established by the U.S. Treasury is known as "Separate Trading of Registered Interest and Principal of Securities" or "STRIPS." Under the STRIPS program, a Fund will be able to have its beneficial ownership of zero coupon securities recorded directly in the book-entry record-keeping system in lieu of having to hold certificates or other evidences of ownership of the underlying U.S. Treasury securities.

When U.S. Treasury securities have been stripped of their unmatured interest coupons by the holder, the principal or corpus is sold at a deep discount because the buyer receives only the right to receive a future fixed payment on the security and does not receive any rights to periodic interest (cash) payments. Once stripped or separated, the corpus and coupons may be sold separately. Typically, the coupons are sold separately or grouped with other coupons with like maturity dates and sold in such bundled form. Purchasers of stripped obligations acquire, in effect, discount obligations that are economically identical to the zero coupon securities that the U.S. Treasury sells itself. These stripped securities are also treated as zero coupon securities with original issue discount for federal tax purposes.

PAY-IN-KIND BONDS (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest in pay-in-kind bonds. Pay-in-kind bonds are securities which pay interest through the issuance of additional bonds. A Fund will be deemed to receive interest over the life of such bonds and be treated for federal income tax purposes as if interest were paid on a current basis, although no cash interest payments are received by the Fund until the cash payment date or until the bonds mature.

MORTGAGE-BACKED SECURITIES AND MORTGAGE PASS-THROUGH SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS

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EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest in mortgage-backed securities, which are interests in pools of mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Pools of mortgage loans are assembled as securities for sale to investors by various governmental, government-related and private organizations as further described below. The Funds may also invest in debt securities which are secured with collateral consisting of mortgage-backed securities (see "Collateralized Mortgage Obligations") and in other types of mortgage-related securities.

The timely payment of principal and interest on mortgage-backed securities issued or guaranteed by GNMA is backed by GNMA and the full faith and credit of the U.S. government. These guarantees, however, do not apply to the market value of the Funds' shares. Also, securities issued by GNMA and other mortgage-backed securities may be purchased at a premium over the maturity value of the underlying mortgages. This premium is not guaranteed and would be lost if prepayment occurs.

Mortgage-backed securities issued by U.S. government agencies or instrumentalities other than GNMA are not "full faith and credit" obligations. Certain obligations, such as those issued by Freddie Mac (formerly known as the Federal Home Loan Mortgage Corporation or FHLMC) are supported by the issuer's right to borrow from the U.S. Treasury; while others, such as those issued by Fannie Mae, are supported only by the credit of the issuer. Pools created by such non-governmental issuers generally offer a higher rate of interest than government and government-related pools because there are no direct or indirect government or agency guarantees of payments.

Unscheduled or early payments on the underlying mortgage may shorten the securities' effective maturities and reduce returns. The Funds may agree to purchase or sell these securities with payment and delivery taking place at a future date. A decline in interest rates may lead to a faster rate of repayment of the underlying mortgages and expose a Fund to a lower rate of return upon reinvestment. To the extent that such mortgage-backed securities are held by a Fund, the prepayment right of mortgagors may limit the increase in net asset value of the Fund, because the value of the mortgage-backed securities held by the Fund may not appreciate as rapidly as the price of noncallable debt securities.

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COLLATERALIZED MORTGAGE OBLIGATIONS ("CMOs") AND REAL ESTATE MORTGAGE INVESTMENT CONDUITS ("REMICs") (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUN, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND D)

Certain Funds may invest in CMOs and REMICs. A CMO is a debt security on which interest and prepaid principal are paid, in most cases, semiannually. CMOs may be collateralized by whole mortgage loans but are more typically collateralized by portfolios of mortgage pass-through securities guaranteed by GNMA, Freddie

Mac, or Fannie Mae, and their income streams. The UBS U.S. Securitized Mortgage Relationship Fund may invest in CMO Floaters. A CMO Floater is a CMO where the coupon is reset each period at a specific spread over the London Interbank Offered Rate ("LIBOR") rate of interest.

CMOs are structured into multiple classes, each bearing a different stated maturity. Actual maturity and average life will depend upon the prepayment experience of the collateral. CMOs provide for a modified form of call protection through a de facto breakdown of the underlying pool of mortgages according to how quickly the loans are repaid. Monthly payments of principal received from the pool of underlying mortgages, including prepayments, are first returned to investors holding the shortest maturity class. Investors holding the longer maturity classes receive principal only after the first class has been retired. An investor is partially guarded against a sooner than desired return of principal because of the sequential payments.

REMICs are similar to CMOs in that they issue multiple classes of securities. The Funds will purchase only regular interests in REMICs. REMIC regular interests are treated as debt of the REMIC and income/discount thereon must be accounted for on the "catch-up method," using a reasonable prepayment assumption under the original issue discount rules of the Internal Revenue Code of 1986, as amended.

OTHER MORTGAGE-RELATED SECURITIES. Certain Funds may invest in other mortgage-related securities. The Advisor expects that governmental, government-related or private entities may create mortgage loan pools and other mortgage-related securities offering mortgage pass-through and mortgage-collateralized investments in addition to those described above. The mortgages underlying these securities may include alternative mortgage instruments, that is, mortgage instruments whose principal or interest payments may vary or whose terms to maturity may differ from customary long-term fixed rate mortgages. As new types of mortgage-related securities are developed and offered to investors, the Advisor will, consistent with each Fund's investment objective, policies and quality standards, consider making investments in such new types of mortgage-related securities.

ASSET-BACKED SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS

EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest a portion of their assets in debt obligations known as "asset-backed securities." The credit quality of most asset-backed securities depends primarily on the credit quality of the assets underlying such securities, how well the entity issuing the security is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit support provided to the securities. The rate of principal payment on asset-backed securities generally depends on the rate of principal payments received on the underlying assets which in turn may be affected by a variety of economic and other factors. As a result, the yield on any asset-backed security is difficult to predict with precision and actual yield to maturity may be more or less than the anticipated yield to maturity. Asset-backed securities may be classified as "pass through certificates" or "collateralized obligations." Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties.

Due to the shorter maturity of the collateral backing such securities, there is less of a risk of substantial prepayment than with mortgage-backed securities. Such asset-backed securities do, however, involve certain risks not associated with mortgage-backed securities, including the risk that security interests cannot adequately or in many cases, ever, be established.

Examples of credit support arising out of the structure of the transaction include "senior-subordinated securities" (multiple class securities with one or more classes subordinate to other classes as to the payment of principal thereof and interest thereon, with the result that defaults on the underlying assets are borne first by the holders of the subordinated class), creation of "reserve funds" (where cash or investments, sometimes funded from a portion of the payments on the underlying assets, are held in reserve against future losses) and "over collateralization" (where the scheduled payments on, or the principal amount of, the underlying assets exceeds that required to make payments of the securities and pay any servicing or other fees). The degree of credit support provided for each issuance of asset-backed securities is generally based on historical credit information about the degree of credit risk associated with the underlying assets. Delinquencies or losses in excess of those anticipated could adversely affect the return on an investment in such issuance of asset-backed securities.

EQUIPMENT TRUST CERTIFICATES (UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

The Fund may invest in equipment trust certificates. The proceeds of those certificates are used to purchase equipment, such as railroad cars, airplanes or other equipment, which in turn serve as collateral for the related issue of certificates. The equipment subject to a trust generally is leased by a railroad, airline or other business, and rental payments provide the projected cash flow for the repayment of equipment trust certificates. Holders of equipment trust certificates must look to the collateral securing the certificates, and any guarantee

provided by the lessee or any parent corporation for the payment of lease amounts, in the case of default in the payment of principal and interest on the certificates.

CREDIT-LINKED SECURITIES (UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

The Fund may invest in credit-linked securities. Credit-linked securities are debt securities that represent an interest in a pool of, or are otherwise collateralized by, one or more corporate debt obligations or credit default swaps on corporate debt or bank loan obligations. Such debt obligations may represent the obligations of one or more corporate issuers. The Fund has the right to receive periodic interest payments from the issuer of the credit-linked security (usually the seller of the underlying credit default swap(s)) at an agreed-upon interest rate, and a return of principal at the maturity date.

The Fund bears the risk of loss of its principal investment, and the periodic interest payments expected to be received for the duration of its investment in the credit-linked security, in the event that one or more of the debt obligations underlying bonds or debt obligations underlying the credit default swaps go into default or otherwise become non-performing. Upon the occurrence of such a credit event (including bankruptcy, failure to timely pay interest or principal, or a restructuring) with respect to an underlying debt obligation (which may represent a credit event of one or more underlying obligers), the Fund will generally reduce the principal balance of the related credit-linked security by the Fund's pro rata interest in the par amount of the defaulted underlying debt obligation in exchange for the actual value of the defaulted underlying obligation or the defaulted underlying obligation itself, thereby causing the Fund to lose a portion of its investment. As a result, on an ongoing basis, interest on the credit-linked security will accrue on a smaller principal balance and a smaller principal balance will be returned at maturity. To the extent a credit-linked security represents an interest in underlying obligations of a single corporate issuer, a credit event with respect to such issuer presents greater risk of loss to the Fund than if the credit-linked security represented an interest in underlying obligations of multiple corporate issuers.

In addition, the Fund bears the risk that the issuer of the credit-linked security will default or become bankrupt. In such an event, the Fund may have difficulty being repaid, or fail to be repaid, the principal amount of its investment and the remaining periodic interest payments thereon.

An investment in credit-linked securities also involves reliance on the counterparty to the swap entered into with the issuer to make periodic payments to the issuer under the terms of the credit default swap. Any delay or cessation in the making of such payments may be expected in certain instances to result in delays or reductions in payments to the Fund as an investor in such credit-linked securities. Additionally, credit-linked securities are typically structured as limited recourse obligations of the issuer of such securities such that the securities issued will usually be obligations solely of the issuer and will not be obligations or responsibilities of any other person.

Most credit-linked securities are structured as Rule 144A securities so that they may be freely traded among institutional buyers. The Fund will generally only purchase credit-linked securities that are determined to be liquid in accordance with the Fund's liquidity guidelines. However, the market for credit-linked securities may be, or suddenly can become, illiquid. The other parties to the transaction may be the only investors with sufficient understanding of the derivative to be interested in bidding for it. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for credit-linked securities. In certain cases, a market

price for a credit-linked security may not be available or may not be reliable, and the Fund could experience difficulty in selling such security at a price the investment manager believes is fair. In the event a credit-linked security is deemed to be illiquid, the Fund will include such security in calculating its limitation on investments in illiquid securities.

The value of a credit-linked security will typically increase or decrease with any change in value of the underlying debt obligations, if any, held by the issuer and the credit default swap. Further, in cases where the credit-linked security is structured such that the payments to the Fund are based on amounts received in respect of, or the value of performance of, any underlying debt obligations specified in the terms of the relevant credit default swap, fluctuations in the value of such obligation may affect the value of the credit-linked security.

The collateral of a credit-linked security may be one or more credit default swaps, which are subject to additional risks. See "INVESTMENT STRATEGIES--Swaps" for a description of additional risks associated with credit default swaps.

WHEN-ISSUED SECURITIES (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, THE UBS PRIME RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may purchase securities offered on a "when-issued" or "forward delivery" basis. When so offered, the price, which is generally expressed in yield terms, is fixed at the time the commitment to purchase is made, but delivery and payment for the when-issued or forward delivery securities take place at a later date. A Fund does not earn interest on such securities the Fund has committed to purchase until the securities are paid for and delivered on the settlement date. While when-issued or forward delivery securities may be sold prior to the settlement date, it is intended that the Funds will commit to purchase such securities with the purpose of actually acquiring them unless a sale appears desirable for investment reasons. At the time a Fund makes the commitment to purchase a security on a when-issued or forward delivery basis, the Fund will record the transaction and reflect the value of the security in determining its net asset value. The market value of when-issued or forward delivery securities may be more or less than the purchase price. The Advisor does not believe that a Fund's net asset value or income will be adversely affected by its purchase of securities on a when-issued or forward delivery basis.

REPURCHASE AGREEMENTS (ALL FUNDS)

Each Fund may enter into repurchase agreements with banks or broker-dealers. When a Fund enters into a repurchase agreement, the Fund purchases securities from a bank or broker-dealer which simultaneously agrees to repurchase the securities at a mutually agreed upon time and price, thereby determining the yield during the term of the agreement. The Fund maintains custody of the underlying securities prior to their repurchase, either through its

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regular custodian or through a special "tri-party" custodian or sub-custodian that maintains separate accounts for both the Fund and the counterparty.

As a result, a repurchase agreement provides a fixed rate of return insulated from market fluctuations during the term of the agreement. The term of a repurchase agreement generally is short, possibly overnight or for a few days, although it may extend over a number of months (up to one year) from the date of delivery. Repurchase agreements are considered under the Investment Company Act to be collateralized loans by the Fund to the seller, secured by the securities transferred to the Fund. In accordance with the Investment Company Act, repurchase agreements will be fully collateralized, and the collateral will be marked-to-market daily. A Fund may not enter into a repurchase agreement having more than seven days remaining to maturity if, as a result, such agreement, together with any other securities which are not readily marketable (illiquid securities), would exceed 15% of the value of the net assets of such Fund (or would exceed 10% of the value of the net assets of the UBS Prime Relationship Fund).

In the event of bankruptcy or other default by the seller of the security under a repurchase agreement, a Fund may suffer time delays and incur costs or possible losses in connection with the disposition of the collateral. In such event, instead of the contractual fixed rate of return, the rate of return to a Fund would be dependent upon intervening fluctuations of the market value of, and the accrued interest on, the underlying security. Although a Fund would have rights against the seller for breach of contract with respect to any losses arising from market fluctuations following the failure of the seller to perform, the ability of a Fund to recover damages from a seller in bankruptcy or otherwise in default would be reduced.

REVERSE REPURCHASE AGREEMENTS (ALL FUNDS)

Each Fund may enter into reverse repurchase agreements with banks or broker-dealers. Reverse repurchase agreements involve sales of portfolio securities of a Fund to member banks of the Federal Reserve System or securities dealers believed creditworthy, concurrently with an agreement by the Fund to repurchase the same securities at a later date at a fixed price which is generally equal to the original sales price plus interest. The Funds retain record ownership and the right to receive interest and principal payments on the portfolio securities involved. During the reverse repurchase period, the Fund continues to receive principal and interest payments on these securities. In connection with each reverse repurchase transaction, cash or other liquid assets will be designated for segregation in accordance with Commission positions in an amount equal to the repurchase price. Reverse repurchase agreements have the same risk characteristics as borrowing transactions of a Fund.

Reverse repurchase agreements involve the risk that the market value of the securities retained by the Fund may decline below the price of the securities the Fund has sold but is obligated to repurchase under the agreement. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Fund's use of the proceeds of the agreement may be restricted pending a determination by the other party, or its trustee or receiver, whether to enforce the Fund's obligation to repurchase the securities.

BORROWING (ALL FUNDS)

All Funds are authorized to borrow money, from time to time, as a temporary measure for extraordinary purposes or to facilitate redemptions in amounts up to 33 1/3% of the value of each Fund's total assets. The Funds have no intention of increasing net income through

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borrowing. Any borrowing will be from a bank with the required asset coverage of at least 300%. In the event that such asset coverage falls below 300%, a Fund will, within three days thereafter (not including Sundays and holidays) or such longer period as the Commission may prescribe by rules and regulations, reduce the amount of its borrowings to such an extent that the asset coverage of such borrowings will be at least 300%.

The use of borrowing by a Fund involves special risks that may not be associated with other portfolios having similar objectives. Since substantially all the assets of the Funds fluctuate in value while the interest obligations remain fixed, an increase or decrease of the asset value per share of a Fund will be greater than would be the case if the Fund did not borrow funds. In addition, interest costs on borrowings may fluctuate with changing market rates of interest and may partially offset or exceed the return earned on borrowed funds. Under adverse market conditions, a Fund might have to sell portfolio securities in order to meet interest or principal payments, or to satisfy restrictions on borrowings, at a time when investment considerations would otherwise not favor such sales.

LOANS OF PORTFOLIO SECURITIES (ALL FUNDS)

All Funds may lend portfolio securities to broker-dealers and financial institutions provided the following conditions are satisfied: (1) the loan is secured continuously by collateral in the form of cash, U.S. government securities or other liquid assets marked-to-market daily and maintained in an amount at least equal to the current market value of the loaned securities; (2) after giving three business days' notice the applicable Fund may call the loan and receive the securities loaned; (3) the applicable Fund will receive any interest or dividends paid on the loaned securities; (4) the aggregate market value of securities loaned by the applicable Fund will not at any time exceed 33 1/3% of the total assets of the Fund; and (5) the Fund must pay only reasonable custodian fees in connection with the loan.

Collateral will consist of cash, U.S. government securities or other liquid assets permitted by the Commission. Loans of securities involve a risk that the borrower may fail to return the loaned securities or may fail to maintain the proper amount of collateral. Therefore, a Fund will enter into portfolio securities loans only after a review of all pertinent facts by the Advisor and the lending agent, subject to the overall supervision by the Board. Such reviews will be monitored on an ongoing basis. In addition, the lending agent is obligated to replace the loaned securities with a like amount of securities of the same issuer, class and denomination in the event the loaned securities are not returned by a borrower in accordance with the arrangements between the borrower and the lending agent. Creditworthiness of the borrower will be monitored on an ongoing basis by the Advisor or the lending agent. Cash received through loan transactions may be invested in any security in which the Fund is authorized to invest. Investing cash subjects that investment to market risk (i.e., capital appreciation or depreciation).

LOAN PARTICIPATIONS AND ASSIGNMENTS (UBS GLOBAL SECURITIES RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS INTERNATIONAL EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND, UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND, UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND, UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND, UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)

Certain Funds may invest in fixed rate and floating rate loans ("Loans") arranged through private negotiations between an issuer of sovereign debt obligations and one or more financial institutions ("Lenders"). A Fund's investment in Loans is expected in most instances to be in the form of participations in loans ("Participations") and assignments of all or a portion of Loans ("Assignments") from third parties.

A Fund will have the right to receive payments of principal, interest and any fees to which it is entitled only from the Lender selling the Participation and only upon receipt by the Lender of the payments from the borrower. In the event of the insolvency of the Lender selling a Participation, the Fund may be treated as a general creditor of the Lender and may not benefit from any set-off between the Lender and the borrower. Certain Participations may be structured in a manner designed to avoid purchasers of Participations being subject to the credit risk of the Lender with respect to the Participation. Even under such a structure, in the event of the Lender's insolvency, the Lender's servicing of the Participation may be delayed and the assignability of the Participation may be impaired. A Fund will acquire Participations only if the Lender interpositioned between the Fund and the borrower is determined by the Advisor to be creditworthy. When the Fund purchases Assignments from Lenders, it will acquire direct rights against the borrower on the Loan. However, because Assignments are arranged through private negotiations between potential assignees and potential assignors, the rights and obligations acquired by the Fund as the purchaser of an Assignment may differ from, and be more limited than, those held by the assigning Lender.

Because there may be no liquid market for Participations and Assignments, the Funds anticipate that such securities could be sold only to a limited number of institutional investors. The lack of a liquid secondary market may have an adverse impact on the value of such securities and a Fund's ability to dispose of particular Assignments or Participations when necessary to meet the Fund's liquidity needs or in response to a specific economic event such as a deterioration in the creditworthiness of the borrower. The lack of a liquid secondary market for Assignments and Participations also may make it more difficult for a Fund to assign a value to these securities for purposes of valuing the Fund's portfolio and calculating its net asset value. To the extent that a Fund cannot dispose of a Participation or Assignment in the ordinary course of business within seven days at approximately the value at which it has valued the Participation or Assignment, it will treat the Participation or Assignment as illiquid and subject to its overall limit on illiquid investments of 15% of its net assets.

VARIABLE AMOUNT MASTER DEMAND NOTES AND FUNDING AGREEMENTS

The UBS Short-Term Relationship Fund may invest in variable amount master demand notes and funding agreements, which are unsecured redeemable obligations that permit investment of varying amounts at fluctuating interest rates under a direct agreement between the Fund and an issuer, such as a bank, broker or insurance company. The principal amount of these

instruments may be increased from time to time by the parties (subject to specified maximums) or decreased by the Fund or the issuer. Master demand notes are payable on demand (subject to any applicable advance notice provisions) and may or may not be rated. Funding agreements may or may not be payable on demand (subject to any applicable advance notice provisions).

SHORT SALES (UBS U.S. EQUITY LONG/SHORT FUND)

In a short sale, the Fund sells a security it does not own in anticipation of a decline in the market value of that security. To complete the transaction, the Fund must borrow the security to make delivery to the buyer. The Fund is then obligated to replace the security borrowed by purchasing it at the market price at the time of replacement. Until the security is replaced, the Fund must pay the lender any dividends or interest that accrues during the period of the loan.

To borrow the security, the Fund may also be required to pay a premium, which would increase the cost of the security sold. The proceeds of the short sale (which may be invested in equity securities) will be retained by the broker, to the extent necessary to meet margin requirements, until the short position is closed out.

The Fund will incur a loss as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security, and the Fund will realize a gain if the security declines in price between those same dates. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of any premium, dividends or interest the Fund is required to pay in connection with the short sale.

Until the Fund replaces a borrowed security, the Fund will designate liquid assets it owns as segregated assets on the books of its custodian in an amount equal to its obligation to purchase the stocks sold short, as required by law. The amount segregated in this manner will be increased or decreased each business day to equal the change in market value of the Fund's obligation to purchase the security sold short. If the lending broker requires the Fund to deposit additional collateral (in addition to the short sales proceeds that the broker holds during the period of the short sale), the amount of the additional collateral may be deducted in determining the amount of cash or liquid assets the Fund is required to segregate to cover the short sale obligation. The amount segregated must be unencumbered by any other obligation or claim than the obligation that is being covered. The Advisor and the Fund believe that short sale obligations that are covered, either by an offsetting asset or right (acquiring the stock sold short or having an option to purchase the stock sold short at a exercise price that covers the obligation), or by the Fund's segregated assets procedures (or a combination thereof), are not senior securities under the Investment Company Act and are not subject to the Fund's borrowing restrictions. The Fund is also required to repay the lender of the stock any dividends or interest that accrue on the stock during the period of the loan.

OTHER INVESTMENT VEHICLES AVAILABLE TO THE FUNDS

The Board may, in the future, authorize a Fund to invest in securities other than those listed in Parts A or Part B of this Registration Statement, provided such investment would be consistent with the applicable Fund's investment objective and would not violate any fundamental investment policies or restrictions applicable to such Fund. The investment policies described above, except for the discussion of percentage limitations with respect to portfolio lending

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transactions and borrowing, are not fundamental and may be changed by the Board without the approval of the Investors.

INVESTMENT PRACTICES AVAILABLE TO THE FUNDS

Certain Funds may buy and sell put and call options and may attempt to manage the overall risk of portfolio investments through hedging strategies, enhance income, or replicate a fixed income return by using swaps, options, futures contracts and forward currency contracts. Hedging strategies may also be used in an attempt to manage the Funds' average durations, foreign currency exposures and other risks of the Funds' investments which can affect fluctuations in the Funds' net asset values. The Funds intend to use such investment practices at the discretion of the Advisor. A detailed discussion of these various investment practices, the limitations on the portion of the Funds' assets that may be used in connection with these investment practices and the risks associated with such investment practices is included in the Appendix A of this Part B.

LIMITATIONS ON FUTURES AND OPTIONS TRANSACTIONS

The Trust has filed a notice of eligibility for exclusion from the definition of "commodity pool operator" within the meaning provided in the Commodity Exchange Act ("CEA") and regulations promulgated thereunder by the Commodity Futures Trading Commission and the National Futures Association, which regulate trading in the futures markets. The Funds intend to comply with Section 4.5 of the regulations under the CEA.

INVESTMENT RESTRICTIONS OF THE FUNDS

Each Fund is subject to the investment restrictions set forth below adopted by the Board, which constitute fundamental policies and may not be changed, as to a Fund, without the approval of a majority of the outstanding voting shares of the Fund. Unless otherwise indicated, all percentage limitations listed below apply to the Funds and apply only at the time of the transaction. Accordingly, if a percentage restriction is adhered to at the time of investment, a later increase or decrease in the percentage which results from a relative change in values or from a change in a Fund's total assets will not be considered a violation.

Except as set forth in the Parts A, in this Part B or in an exception below, each Fund may not:

(i) Purchase or sell real estate, except that the Fund may purchase or sell securities of real estate investment trusts. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund and UBS International Equity Relationship Fund);

(ii) Purchase or sell commodities, except that the Fund may purchase or sell currencies, may enter into futures contracts on securities, currencies and other indices or any other financial instruments, and may purchase and sell options on such futures contracts. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund and UBS U.S. Bond Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund);

(iii) Issue securities senior to the Fund's presently authorized shares of beneficial interest, except that this restriction shall not be deemed to prohibit the Fund from (a) making any permitted borrowings, loans, or pledges; (b) entering into options, futures contracts, forward contracts, repurchase transactions or reverse repurchase transactions; or (c) making short sales of securities up to 10% of the Fund's net assets to the extent permitted by the Investment Company Act and any rule or order thereunder, or Commission staff interpretations thereof. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund, UBS High Yield Relationship Fund, UBS U.S. Bond Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund);

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(iv) Make loans to other persons, except (a) through the lending of its portfolio securities; (b) through the purchase of debt securities, loan participations and/or engaging in direct corporate loans for investment purposes in accordance with its investment objectives and policies; and (c) to the extent the entry into a repurchase agreement is deemed to be a loan. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund and UBS High Yield Relationship Fund);

(v) Borrow money in excess of 33 1/3% of the value of its assets except as a temporary measure for extraordinary or emergency purposes to facilitate redemptions. All borrowings will be done from a bank and to the extent that such borrowing exceeds 5% of the value of the Fund's assets, asset coverage of at least 300% is required. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund and UBS High Yield Relationship Fund);

(vi) Concentrate (invest more than 25% of its total assets) in securities of issuers in a particular industry (other than securities issued or guaranteed by the U.S. government or any of its agencies). (This limitation does not apply to UBS International Equity Relationship Fund and UBS Opportunistic Emerging Markets Debt Relationship Fund); and

(vii) Act as an underwriter, except to the extent the Fund may be deemed to be an underwriter when selling its own shares. (This limitation does not apply to UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund and UBS High Yield Relationship Fund).

Except as set forth in the Parts A, in this Part B or in an exception below, the UBS U.S. Equity Long/Short Relationship Fund may not:

(i) Issue securities senior to the Fund's presently authorized shares of beneficial interest, except that this restriction shall not be deemed to prohibit the Fund from (a) making any permitted borrowings, loans, or pledges; (b) entering into options, futures contracts, forward contracts, repurchase transactions or reverse repurchase transactions; or (c) making short sales of securities to the extent permitted by the Investment Company Act and any rule or order thereunder, or Commission staff interpretations thereof; and

(2) purchase or sell commodities, except as permitted by the 1940 Act.

Except as set forth in the Parts A, in this Part B or in an exception below, the UBS U.S. Large Cap Equity Relationship Fund, UBS International Equity Relationship Fund, and UBS U.S. Bond Relationship Fund, may not:

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(i) Invest in real estate or interests in real estate (provided that this will not prevent the Fund from investing in publicly-held real estate investment trusts or marketable securities of companies which may represent indirect interests in real estate). (This limitation does not apply to UBS U.S. Bond Relationship Fund);

(ii) Invest in interests in oil, gas and/or mineral exploration or development programs or leases;

(iii) Purchase or sell commodities or commodity contracts, except each Fund may enter into futures contracts and options thereon in accordance with this Registration Statement and may engage in forward foreign currency contracts and swaps;

(iv) Make investments in securities for the purpose of exercising control over or management of the issuer. (This limitation does not apply to UBS U.S. Bond Relationship Fund);

(v) Sell securities short, except "short sales against the box" or purchase securities on margin, and also except such short-term credits as are necessary for the clearance of transactions. For this purpose, the deposit or payment by a Fund for initial or maintenance margin in connection with futures contracts is not considered to be the purchase or sale of a security on margin;

(vi) Make loans, except that this restriction shall not prohibit: (a) the purchase and holding of a portion of an issue of publicly distributed or privately placed debt securities; (b) the lending of portfolio securities; or (c) entry into repurchase agreements with banks or broker-dealers. (This limitation does not apply to UBS U.S. Bond Relationship Fund);

(vii) Borrow money except as a temporary measure for extraordinary or emergency purposes to facilitate redemptions and in no event in excess of 33 1/3% of the value of its total assets. All borrowings will be from a bank and to the extent that such borrowings exceed 5% of the value of the Fund's assets, asset coverage of at least 300% is required. UBS International Equity Relationship Fund will not purchase securities while borrowings exceed 5% of that Fund's total assets. (This limitation does not apply to UBS U.S. Bond Relationship Fund);

(viii) Issue senior securities as defined in the Investment Company Act except that this restriction will not prevent the Funds from entering into repurchase agreements or reverse repurchase agreements, borrowing money in accordance with restriction (vii) above or purchasing when-issued, delayed delivery or similar securities;

(ix) Purchase the securities of issuers conducting their principal business activities in the same industry (other than obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities or by foreign governments or their political subdivisions, or by supranational organizations) if immediately after such purchase the value of a Fund's investments in such industry would exceed 25% of the value of the total assets of the Fund. (This limitation does not apply to UBS U.S. Bond Relationship Fund);

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(x) Act as an underwriter of securities, except that, in connection with the disposition of a security, the Fund may technically be deemed to be an "underwriter" as that term is defined in the Securities Act, in selling a portfolio security. (This limitation does not apply to UBS U.S. Bond Relationship Fund); and

(xi) Invest in securities of any open-end or closed-end investment company, except in accordance with the Investment Company Act or any exemptive order therefrom obtained from the Commission which permits investment by a Fund in other funds or other investment companies or series thereof advised by the Advisor, and also may invest in the securities of closed-end investment companies at customary brokerage commission rates. (This limitation does not apply to UBS U.S. Bond Relationship Fund)

Except as set forth in the Parts A, in this Part B or in an exception below, the UBS U.S. Securitized Mortgage Relationship Fund and UBS High Yield Relationship Fund may not:

(i) Sell securities short, except "short sales against the box" or purchase securities on margin, and also except such short-term credits as are necessary for the clearance of transactions. For this purpose, the deposit or payment by the Fund for initial or maintenance margin in connection with futures contracts is not considered to be the purchase or sale of a security on margin. (This limitation does not apply to UBS High Yield Relationship Fund);

(ii) Issue securities senior to the Fund's presently authorized shares of beneficial interest, except that this restriction shall not be deemed to prohibit the Fund from (a) making any permitted borrowings, loans, mortgages, or pledges, (b) entering into options, futures contracts, forward contracts, repurchase transactions, or reverse repurchase transactions, or (c) making short sales of securities to the extent permitted by the Investment Company Act and any rule or order thereunder, or Commission staff interpretations thereof. (This limitation does not apply to UBS U.S. Securitized Mortgage Relationship Fund);

(iii) Make loans to other persons, except (a) through the lending of its portfolio securities, (b) through the purchase of debt securities, loan participations and/or engaging in direct corporate loans in accordance with its investment objectives and policies, and (c) to the extent the entry into a repurchase agreement is deemed to be a loan. The UBS High Yield Relationship Fund may also make loans to affiliated investment companies to the extent permitted by the Investment Company Act or any exemptions therefrom that may be granted by the Commission;

(iv) Borrow money, except that the Fund may borrow money from banks to the extent permitted by the Investment Company Act, for temporary or emergency purposes from any person in an amount not exceeding 5% of its total assets, or to the extent permitted by any exemptions therefrom which may be granted by the Commission staff, but in any event all borrowings may not exceed 33 1/3% of the value of the Fund's total assets (including the amount borrowed). (This limitation applies to UBS U.S. Securitized Mortgage Relationship Fund only);

(v) Borrow money, except that the Fund may borrow money from banks to the extent permitted by the Investment Company Act, or to the extent permitted by

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any exemptions therefrom which may be granted by the Commission staff, or for temporary or emergency purposes and then in an amount not exceeding 33 1/3% of the value of the Fund's total assets (including the amount borrowed). (This limitation applies to UBS High Yield Relationship Fund only); and

(vi) Act as an underwriter, except to the extent the Fund may be deemed to be an underwriter when disposing of securities it owns or when selling its own shares. (This limitation does not apply to UBS U.S. Securitized Mortgage Relationship Fund.)

In addition to the investment restrictions described above for the Fund, UBS Opportunistic Emerging Markets Debt Relationship Fund may not concentrate (invest more than 25% of its total assets) in securities of issuers in a particular industry (other than securities issued or guaranteed by the U.S. government or any of its agencies), except that the Fund, from time to time, may invest 25% or more of its total assets in the sovereign debt of an emerging market country based on the Advisor's analysis of the relative attractiveness of the particular emerging market country considering current market conditions.

CHANGE OF PRIMARY INVESTMENT STRATEGY

For the UBS Emerging Markets Debt Relationship Fund, UBS Emerging Markets Equity Relationship Fund, UBS Global Aggregate Bond Relationship Fund, UBS International Equity Relationship Fund, UBS High Yield Relationship Fund, UBS U.S. Intermediate Cap Equity Relationship Fund, UBS U.S. Large-Cap Value Equity Relationship Fund, UBS Large-Cap Select Equity Relationship Fund, UBS Short-Term Relationship Fund, UBS U.S. Bond Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS Short Duration Relationship Fund, UBS Small-Cap Equity Relationship Fund, UBS Defensive High Yield Relationship Fund, UBS U.S. Treasury Inflation Protected Securities Relationship Fund, UBS Enhanced Yield Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund, UBS Prime Relationship Fund, UBS Corporate Bond Relationship Fund, UBS All Country World Ex US Equity Relationship Fund, UBS Absolute Return Bond Relationship Fund, UBS Emerging Markets Equity Completion Relationship Fund, UBS U.S. Small-Mid Cap Core Equity Relationship Fund, UBS U.S. Small-Mid Cap Growth Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund, the Trust will provide shareholders of a Fund with 60-days' advance written notice of any change in the Fund's investment policy, as set forth in the Part A, that states that the Fund will invest at least 80% of its net assets in a particular type of investment. Such notice will conform to the requirements of Rule 35d-1(c) under the Investment Company Act.

DISCLOSURE OF PORTFOLIO HOLDINGS

INTRODUCTION. UBS Global Asset Management (Americas) Inc. ("UBS Global AM (Americas)") and the Trust's Board of Trustees have adopted portfolio holdings disclosure policies and procedures to govern the disclosure of the portfolio holdings of the Funds. The Trust's policy with respect to the release of portfolio holdings is to only release such information consistent with applicable legal requirements and the fiduciary duties owed to shareholders. Subject to the limited exceptions described below, the Trust will not make available to anyone outside of UBS Global Asset Management non-public information with respect to its portfolio holdings, until such time as the information is made available to all shareholders or the general public. A description of the type and frequency of portfolio holdings that are disclosed to the public is contained in the Funds' Prospectuses.

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The portfolio holdings disclosure policies and procedures require that the UBS Global AM (Americas) Legal and Compliance Departments address any material conflicts of interest regarding a disclosure of portfolio holdings and determine whether a disclosure of a Fund's portfolio holdings is for a legitimate business purpose and in the best interest of the Fund's shareholders prior to an officer of the Trust or an attorney in the UBS Global AM (Americas) Legal Department authorizing the disclosure of portfolio holdings. The UBS Global AM (Americas) Legal and Compliance Departments will periodically review how each Fund's portfolio holdings are being disclosed to and used by, if at all, service providers, UBS Global AM (Americas) affiliates, fiduciaries, and broker-dealers to ensure that such use is for legitimate business reasons and in the best interests of each Fund's shareholders.

The Trust's Board of Trustees exercises continuing oversight of the disclosure of Fund portfolio holdings by: (i) overseeing the implementation and enforcement of the portfolio holdings disclosure policies and procedures, the Trust's code of ethics and policies and procedures regarding the misuse of inside information by the chief compliance officer of the Trust; (ii) considering reports and recommendations by the chief compliance officer concerning any material compliance matters (as defined in Rule 38a-1 under the Act and Rule 206(4)-7 under the Investment Advisers Act of 1940) that may arise in connection with any portfolio holdings governing policies; and (iii) considering whether to approve or ratify any amendment to any portfolio holdings governing policies. UBS Global AM (Americas) and the Board reserve the right to amend the Trust's policies and procedures regarding the disclosure of portfolio holdings of the Funds at any time and from time to time without prior notice in their sole discretion.

DISCLOSURE OF COMPLETE PORTFOLIO HOLDINGS TO SERVICE PROVIDERS SUBJECT TO CONFIDENTIALITY AND TRADING RESTRICTIONS. UBS Global AM (Americas), for legitimate business purposes, may disclose Fund complete portfolio holdings at times it deems necessary and appropriate to rating and ranking organizations, financial printers, proxy voting service providers, pricing information vendors, third-parties that deliver analytical, statistical or consulting services and other third parties that provide services (collectively, "Service Providers") to UBS Global Asset Management and/or the Funds.

Disclosure of complete portfolio holdings to a Service Provider is conditioned on the Service Provider being subject to a duty of confidentiality, including a duty not to trade on the basis of any material nonpublic information, pursuant to the terms of the service agreement between the Service Provider and the Trust or UBS Global AM (Americas), or the terms of a separate confidentiality agreement. The frequency with which complete portfolio holdings may be disclosed to a Service Provider, and the length of lag, if any, between the date of information and the date on which the information is disclosed to the Service Provider, is determined based on the facts and circumstances, including, without limitation, the nature of the portfolio holdings information to be disclosed, the risk of harm to the Funds and their shareholders, and the legitimate business purposes served by such disclosure. Disclosure of Fund complete portfolio holdings to a Service Provider must be authorized by an officer of the Trust or by an attorney in the UBS Global Asset Management Legal Department.

DISCLOSURE OF COMPLETE PORTFOLIO HOLDINGS TO UBS GLOBAL ASSET MANAGEMENT AFFILIATES AND CERTAIN FIDUCIARIES SUBJECT TO CONFIDENTIALITY AND TRADING RESTRICTIONS. Fund complete portfolio holdings may be disclosed between and among the following persons (collectively, "Affiliates and Fiduciaries") for legitimate business purposes within the scope of their official duties and responsibilities, subject to such persons' continuing duty of confidentiality and duty not to trade on the basis of any material nonpublic information, as such duties are imposed under the Trust's and/or UBS Global Asset Management code of ethics, the

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Trust's policies and procedures regarding the prevention of the misuse of inside information, by agreement or under applicable laws, rules and regulations: (i) persons who are subject to the codes of ethics or the policies and procedures regarding the prevention of the misuse of inside information; (ii) an investment adviser, administrator, transfer agent or custodian to the Funds; (iii) an accounting firm, an auditing firm or outside legal counsel retained by UBS Global Asset Management or the Trust; (iv) an investment adviser to whom complete portfolio holdings are disclosed for due diligence purposes when the adviser is in merger or acquisition talks with a Fund's current adviser; and (v) a newly hired investment adviser or sub-advisor to whom complete portfolio holdings are disclosed prior to the time it commences its duties.

The frequency with which complete portfolio holdings may be disclosed between and among Affiliates and Fiduciaries, and the length of the lag, if any, between the date of the information and the date on which the information is disclosed between and among the Affiliates and Fiduciaries, is determined by such Affiliates and Fiduciaries based on the facts and circumstances, including, without limitation, the nature of the portfolio holdings information to be disclosed, and the risk of harm to the Funds and their shareholders, and the legitimate business purposes served by such disclosure.

ARRANGEMENTS TO DISCLOSE PORTFOLIO HOLDINGS TO SERVICE PROVIDERS AND FIDUCIARIES. As of the date of this SAI, the specific Service Providers and Fiduciaries with whom the Trust has arrangements to provide portfolio holdings in advance of their release to shareholders or the general public in the course of performing or to enable them to perform services for the Fund are:

- JP Morgan Chase Bank, the Funds' Custodian, receives portfolio holdings information daily on a real-time basis.

- Thomas Corporation receives portfolio holdings information so that it may assist the Funds in production of its quarterly fact sheet on a quarterly basis. The portfolio holdings information is provided with a one-day lag between the date of the portfolio holdings information and the date on which the information is disclosed to Thomas Corporation.

- Ernst & Young receives portfolio holdings information on an annual and semi-annual basis, for reporting purposes. There is a 30-day lag between the date of portfolio holdings information and the date on which the information is disclosed to Ernst & Young. Ernst & Young also receives portfolio holdings information once a year at a month-end for annual audit purposes. In this case, there is no lag between the date of the portfolio holdings information and the date on which the information is disclosed to Ernst & Young.

- The rating agencies of Morningstar, Standard & Poor's and Lipper receive portfolio holdings information on a monthly basis so that the Funds may be included in each rating agency's industry reports and other materials. There is a 30-day lag between the date of the portfolio holdings information and the date on which the information is disclosed to the rating agencies.

DISCLOSURE OF PORTFOLIO HOLDINGS TO BROKER-DEALERS IN THE NORMAL COURSE OF MANAGING FUND ASSETS. An investment adviser, administrator or custodian for the Funds may, for legitimate business purposes within the scope of their official duties and responsibilities, disclose portfolio holdings (whether partial portfolio holdings or complete portfolio holdings) and

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other investment positions comprising the Funds to one or more broker-dealers during the course of, or in connection with, normal day-to-day securities and derivatives transactions with or through such broker-dealers subject to the broker-dealer's legal obligation not to use or disclose material nonpublic information concerning each Fund's portfolio holdings, other investment positions, securities transactions or derivatives transactions without the consent of the Funds or their agents. The Funds have not given their consent to any such use or disclosure and no person or agent of UBS Global AM (Americas) is authorized to give such consent except as approved by the Trust's Board of Trustees. In the event consent is given to disclose portfolio holdings to a broker-dealer, the frequency with which the portfolio holdings may be disclosed to a broker-dealer, and the length of the lag, if any, between the date of the information and the date on which the information is disclosed to the broker-dealer, is determined based on the facts and circumstances, including, without limitation, the nature of the portfolio holdings information to be disclosed, and the risk of harm to the Fund and its shareholders, and the legitimate business purposes served by such disclosure.

DISCLOSURE OF NON-MATERIAL INFORMATION. Policies and procedures regarding non-material information permit the officers of the Trust, UBS Global Asset Management Fund portfolio managers and senior officers of UBS Global AM (Americas) Finance, Compliance and Legal Departments (collectively, "Approved Representatives") to disclose any views, opinions, judgments, advice or commentary, or any analytical, statistical, performance or other information, in connection with or relating to the Funds or their portfolio holdings and/or other investment positions (collectively, commentary and analysis) or any changes in the portfolio holdings of the Funds that occurred after the most recent calendar-quarter end (recent portfolio changes) to any person if such information does not constitute material nonpublic information.

An Approved Representative must make a good faith determination whether the information constitutes material nonpublic information, which involves an assessment of the particular facts and circumstances. UBS Global AM (Americas) believes that in most cases recent portfolio changes that involve a few or even several securities in a diversified portfolio or commentary and analysis would be immaterial and would not convey any advantage to a recipient in making an investment decision concerning the Fund. Nonexclusive examples of commentary and analysis about the Funds include: (i) the allocation of a Fund's portfolio holdings and other investment positions among various asset classes, sectors, industries and countries; (ii) the characteristics of the stock and bond components of a Fund's portfolio holdings and other investment positions; (iii) the attribution of Fund returns by asset class, sector, industry and country; and (iv) the volatility characteristics of a Fund. An Approved Representative may in its sole discretion determine whether to deny any request for information made by any person, and may do so for any reason or no reason.

Approved Representatives include persons employed by or associated with UBS Global AM (Americas) who have been authorized by the UBS Global AM (Americas)'s Legal Department to disclose recent portfolio changes and/or commentary and analysis in accordance with the applicable policies and procedures.

DISCLOSURE OF PORTFOLIO HOLDINGS AS REQUIRED BY APPLICABLE LAW. Fund portfolio holdings and other investment positions comprising a Fund shall be disclosed to any person as required by applicable laws, rules and regulations. Examples of such required disclosure include, but are not limited to, disclosure of Fund portfolio holdings: (i) in a filing or submission with the SEC or another regulatory body; (ii) in connection with seeking recovery on defaulted bonds in a federal bankruptcy case; (iii) in connection with a lawsuit; or (iv) as required by court order.

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PROHIBITIONS ON DISCLOSURE OF PORTFOLIO HOLDINGS. No person is authorized to disclose Fund portfolio holdings or other investment positions (whether online at www.ubs.com in writing, by fax, by e-mail, orally or by other means) except in accordance with the applicable policies and procedures. In addition, no person is authorized to make disclosure pursuant to these policies and procedures if such disclosure is otherwise unlawful under the antifraud provisions of the federal securities laws (as defined in Rule 38a-1 under the Act). Furthermore, UBS Global AM (Americas), in its sole discretion, may determine not to disclose portfolio holdings or other investment positions comprising a Fund to any person who could otherwise be eligible to receive such information under the applicable policies and procedures, or may determine to make such disclosures publicly as provided by the policies and procedures.

PROHIBITIONS ON RECEIPT OF COMPENSATION OR OTHER CONSIDERATION. The portfolio holdings disclosure policies and procedures prohibit the Funds, their investment adviser and any other person to pay or receive any compensation or other consideration of any type for the purpose of obtaining disclosure of Fund portfolio holdings or other investment positions. "Consideration" includes any agreement to maintain assets in a Fund or in other investment companies or accounts managed by the investment adviser or by any affiliated person of the investment adviser.

ITEM 12. MANAGEMENT OF THE TRUST.

The Trust is a Delaware statutory trust. Under Delaware law, the Board has overall responsibility for managing the business and affairs of the Trust, including general supervision and review of its investment activities. The Trustees elect the officers of the Trust, who are responsible for administering the day-to-day operations of the Trust and the Funds.

The Trustees and executive officers of the Trust, along with their principal occupations over the past five years and their affiliations, if any, with UBS Global Asset Management (Americas) Inc., are listed below. None of the Trustees is an "interested person" (as defined in the Investment Company Act) of the Trust. The Trustees may be referred to herein as "Independent Trustees."

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NAME, ADDRESS AND AGE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE(1) AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
<S>	<C>	<C>	<C>	<C>	<C>

Walter E. Auch 6001 N. 62nd Place Paradise Valley, AZ 85253 Age: 83	Trustee	Since 1994	Mr. Auch is retired (since 1986).	Mr. Auch is a trustee of three investment companies (consisting of 48 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.	Mr. Auch is a Trustee of Advisors Series Trust (16 portfolios); Smith Barney Fund Complex (27 portfolios); and Nicholas Applegate Institutional Funds (19 portfolios).

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NAME, ADDRESS AND AGE	POSITION(S) HELD WITH TRUST	TERM OF OFFICE(1) AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
<S>	<C>	<C>	<C>	<C>	<C>
Frank K. Reilly Mendoza College of Business University of Notre Dame Notre Dame, IN 46556-5649 Age: 68	Chairman and Trustee	Since 1994	Mr. Reilly is a Professor at the University of Notre Dame since 1982.	Mr. Reilly is a director or trustee of four investment companies (consisting of 48 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.	Mr. Reilly is a Director of Discover Bank; Morgan Stanley Trust and FSB.
Edward M. Roob 841 Woodbine Lane Northbrook, IL 60002 Age: 70	Trustee	Since 1994	Mr. Roob is retired (since 1993). Mr. Roob was a Committee Member of the Chicago Stock Exchange from 1993-1999.	Mr. Roob is a director or trustee of four investment companies (consisting of 48 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.	Mr. Roob is a Trustee of the AHA Investment Funds (6 portfolios).
Adela Cepeda A.C. Advisory, Inc. 61 No. Clark Street Suite 4975 Chicago, IL 60601 Age: 46	Trustee	Since 2004	Ms. Cepeda is founder and president of A.C. Advisory, Inc. (since 1995).	Ms. Cepeda is a director or trustee of four investment companies (consisting of 48 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.	Ms. Cepeda is a director of Lincoln National Income Fund, Inc. and Lincoln National Convertible Securities Fund, Inc. She is also a Director of Amalgamated Bank of Chicago (2003) and Wyndham International, Inc. (2004).
J. Mikesell Thomas Federal Home Loan Bank of Chicago 111 East Wacker Drive Chicago, IL 60601 Age: 53	Trustee	Since 2004	Mr. Thomas is President and CEO of Federal Home Loan Bank of Chicago (since 2004). Mr. Thomas was an independent financial advisor (2001-2004). He was managing director of Lazard Freres & Co. (1995 to 2001).	Mr. Thomas is a director or trustee of four investment companies (consisting of 48 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.	Mr. Thomas is a director and chairman of the Finance Committee for Evanston Northwestern Healthcare. He is also a vice president of the Board of Trustees for Mid-Day Club.

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(1) Each Trustee holds office for an indefinite term.

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OFFICERS

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	POSITION(S)	TERM OF OFFICE+ AND LENGTH OF

NAME, ADDRESS AND AGE	HELD WITH THE TRUST	TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
<S>	<C>	<C>	<C>
Joseph J. Allessie* Age: 39	Vice President and Assistant Secretary	Since 2005	Mr. Allessie is director and associate general counsel at UBS Global AM (Americas) (since 2005). Prior to joining UBS Global AM he was senior vice president and general counsel of Kenmar Advisory Corp. (from 2004-2005). Prior to that Mr. Allessie was general counsel and secretary of Global Asset Management (USA) Inc., GAM Investments, GAM Services, GAM Funds, Inc. and the GAM Avalon Funds (from 1999 to 2004). Prior to joining GAM, Mr. Allessie was Regulatory Officer to the State of New Jersey, Department of Law and Public Safety, Bureau of Securities (from 1993 to 1999). Mr. Allessie is a vice president and assistant secretary of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Anericas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
W. Douglas Beck* Age: 37	Vice President	Since 2003	Mr. Beck is an executive director and head of mutual fund product management of UBS Global AM (since 2002). From March 1998 to November 2002, he held various positions at Merrill Lynch, the most recent being first vice president and co-manager of the managed solutions group. Mr. Beck is vice president of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Rose Ann Bubloski* Age: 36	Vice President and Assistant Treasurer	Since 2004	Ms. Bubloski is an associate director and a senior manager of the mutual fund finance department of UBS Global AM. Ms. Bubloski is vice president and assistant treasurer of four investment companies (consisting of 43 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Michael J. Calhoun** Age: 37	Assistant Secretary	Since 2004	Mr. Calhoun is an Associate Director, Associate General Counsel, and Assistant Secretary of UBS Global AM (Americas) since 2004. He is also an Assistant Secretary of UBS Global Asset Management Trust Company since 2004. He was an Associate at Seyfarth Shaw LLP, a law firm, during 2003; an Associate at D'Ancona & Pflaum LLC, a law firm, from 2000-2003; a Summer Associate at D'Ancona & Pflaum LLC during 1999; and a Projects Assistant for Active Temporary Services, Inc. from 1994-1997. Mr. Calhoun attended Loyola University Chicago School of Law from 1997-2000. Mr. Calhoun is assistant secretary of four investment companies (consisting of 43 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Mary Capasso** Age: 33	Assistant Secretary	Since 2004	Ms. Capasso is an Associate Director, Assistant General Counsel and Assistant Secretary of UBS Global AM since 2003. Previously, Ms. Capasso was employed at Van Kampen Investments (1998-2000) and Bell, Boyd & Lloyd LLC (2000-2003). Ms. Capasso is assistant secretary of four investment companies (consisting of 42 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.

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NAME, ADDRESS AND AGE	POSITION(S) HELD WITH THE TRUST	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
<S>	<C>	<C>	<C>
James Capezzuto* Age: 40	Vice President and Assistant Secretary	Since 2004	Mr. Capezzuto is director and assistant general counsel at UBS Global AM (since 2004). Prior to joining UBS Global AM, he was senior vice president, senior compliance manager at Bank of America (from 2003-2004). Prior to that he was general counsel at Steinberg Priest & Sloane and prior to that, he was director and senior

			counsel at Deutsche Asset Management (1996-2002). Mr. Capezzuto is a vice president and assistant secretary of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Thomas Disbrow* Age: 38	Vice President and Assistant Treasurer	Since 2004	Mr. Disbrow is a director and a co-head of the mutual fund finance department of UBS Global AM. Prior to November 1999, he was a vice president of Zweig/Glaser Advisers. Mr. Disbrow is vice president and treasurer of 16 investment companies (consisting of 34 portfolios) and vice president and assistant treasurer of four investment companies (consisting of 42 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Mark F. Kemper** Age: 46	Vice President and Secretary	Since 1999 and 2004, respectively	Mr. Kemper is general counsel of UBS Global Asset Management-Americas region (since July 2004). Mr. Kemper is also an executive director of UBS Global AM (Americas) and was its deputy general counsel from July 2001 to July 2004. He has been secretary of UBS Global AM (Americas) since 1999 and assistant secretary of UBS Global Asset Management Trust Company since 1993. Mr. Kemper is secretary of UBS Global AM (US) (since 2004). Mr. Kemper is vice president and secretary of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Joseph T. Malone* Age: 37	Vice President, Treasurer and Principal Accounting Officer	Since 2004	Mr. Malone is a director and a co-head of the mutual fund finance department of UBS Global AM. From August 2000 through June 2001, he was controller at AEA Investors Inc. From March 1998 to August 2000, Mr. Malone was a manager within the investment management services of PricewaterhouseCoopers LLC. Mr. Malone is the vice president and assistant treasurer of 16 investment companies (consisting of 33 portfolios) and vice president, treasurer and principal accounting officer of four investment companies (consisting of 43 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Joseph McGill* Age: 42	Vice President and Chief Compliance Officer	Since 2004	Mr. McGill is executive director and chief compliance officer at UBS Global AM (since 2003). Prior to joining UBS Global AM, he was Assistant General Counsel at J.P. Morgan Investment Management (from 1999-2003). Mr. McGill is a vice president and chief compliance officer for 20 investment companies (consisting of 75 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.

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NAME, ADDRESS AND AGE	POSITION(S) HELD WITH THE TRUST	TERM OF OFFICE+ AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS
<S>	<C>	<C>	<C>
Joseph A. Varnas* Age: 36	President	Since 2002	Mr. Varnas is a managing director (since March 2003), global head of information technology and operations (since March 2004) and head of product management-Americas (since November 2002) of UBS Global AM. He was head of technology of UBS Global AM from November 2002 to March 2004. From 2000 to 2001, he was manager of product development in Investment Consulting Services at UBS Financial Services Inc. Mr. Varnas was a senior analyst in the Global Securities Research and Economics Group at Merrill Lynch from 1995 to 1999. Mr. Varnas is president of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.
Keith A. Weller* Age: 43	Vice President and Assistant	Since 2004	Mr. Weller is a director and associate general counsel of UBS Global AM. Mr. Weller is a vice president and

Secretary	assistant secretary of 20 investment companies (consisting of 76 portfolios) for which UBS Global AM (Americas) or one of its affiliates serves as investment advisor, sub-advisor or manager.

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* This person's business address is 51 West 52nd Street, New York, NY 10019-6114.

** This person's business address is One North Wacker Drive, Chicago, IL 60606.

\+ Officers of the Trust are appointed by the Trustees and serve at the pleasure of the Board.

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INDEPENDENT TRUSTEES	DOLLAR RANGE OF EQUITY SECURITIES IN TRUST+	AGGREGATE DOLLAR RANGE OF EQUITY SECURITIES IN ALL REGISTERED INVESTMENT COMPANIES OVERSEEN BY TRUSTEE FOR WHICH UBS GLOBAL AM (AMERICAS) OR AN AFFILIATE SERVES AS INVESTMENT ADVISOR, SUB-ADVISOR OR MANAGER+
<S>	<C>	<C>
Walter E. Auch	None	$10,001 - $50,000
Frank K. Reilly	None	over $100,000
Edward M. Roob	None	over $100,000
Adela Cepeda	None	$10,001 - $50,000
J. Mikesell Thomas	None	None

</Table>

\+ Information regarding ownership is as of December 31, 2004.

INFORMATION ABOUT INDEPENDENT TRUSTEE OWNERSHIP OF SECURITIES ISSUED BY UBS GLOBAL AM (AMERICAS) OR ANY COMPANY CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH UBS GLOBAL AM (AMERICAS)

As of December 31, 2004, the Independent Trustees did not own any securities issued by UBS Global AM (Americas) or any company controlling, controlled by or under common control with UBS Global AM (Americas).

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COMPENSATION TABLE

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NAME AND POSITION HELD	ANNUAL AGGREGATE COMPENSATION FROM THE TRUST(1)	PENSION OR RETIREMENT BENEFITS ACCRUED AS PART OF FUND EXPENSES	TOTAL COMPENSATION FROM THE TRUST AND FUND COMPLEX PAID TO TRUSTEES
<S>	<C>	<C>	<C>
Walter E. Auch, Trustee	$ 25,693	N/A	$ 57,747(2)
Frank K. Reilly, Trustee	$ 25,177	N/A	$ 63,784(2)
Edward M. Roob, Trustee	$ 25,177	N/A	$ 63,784(2)
Adela Cepeda, Trustee(3)	$ 24,349	N/A	$ 56,456(2)
J. Mikesell Thomas, Trustee(3)	$ 20,399	N/A	$ 49,956(2)

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(1) Represents aggregate annual compensation paid by the Trust to each Trustee indicated for the fiscal year ended December 31, 2004. Ms. Cepeda and Mr. Thomas were elected to serve on Board of Trustees of the Trust on March 29, 2004.

(2) This amount represents the aggregate amount of compensation paid to the Trustees for service on the Board of Directors/Trustees of four (with regard to Mr. Auch, Ms. Cepeda and Mr. Thomas) and five (with regard to Messrs. Reilly and Roob) other investment companies managed by UBS Global AM (Americas) or an affiliate for the fiscal year ended December 31, 2004.

(3) These amounts represent the amount of compensation paid to Ms. Cepeda and Mr. Thomas for service on the Board of Trustees of the Trust and two additional investment companies managed by UBS Global AM (Americas) or an affiliate since March 29, 2004, the date on which Ms. Cepeda and Mr. Thomas were elected to serve on Boards of these investment companies.

No officer or Trustee of the Trust who is also an officer or employee of the Advisor receives any compensation from the Funds for services to the Funds. Prior to July 1, 2004, the Trust paid each Independent Trustee a fee of $6,000 per year, plus $300 per Fund per meeting. As of July 1, 2004, each Independent Trustee receives, in the aggregate from the UBS Global AM family of funds, an annual retainer of $30,000 for serving as a Board member, a $2,000 retainer for serving as an Audit Committee member, and a $2,000 retainer for serving as a Nominating, Compensation and Governance Committee member. The foregoing fees will be allocated among all such funds as follows: (i) one-half of the expense will be allocated PRO RATA based on the funds' relative net assets at the end of the calendar quarter preceding the date of payment; and (ii) one-half of the expense will be allocated equally according to the number of such funds (i.e., expenses divided by number of funds). Each Independent Trustee will receive $300 per Fund for each regular Board meeting (and each in-person special meeting) actually attended from the Trust. The Trust reimburses each Trustee and officer for out-of-pocket expenses in connection with travel and attendance at Board meetings.

Each Trustee sits on the Trust's Audit Committee, which has the responsibility, among other things, to: (i) select, oversee and set the compensation of the Trust's independent registered public accounting firm; (ii) oversee the Trust's accounting and financial reporting policies and practices, its internal controls and, as appropriate, the internal controls of certain service providers; (iii) oversee the quality and objectivity of the Fund's financial statements and the independent audit(s) thereof; and (iv) act as a liaison between the Trust's independent registered public accounting firm and the full Board. The Audit Committee met four times during the fiscal year ended December 31, 2004.

Each Trustee sits on the Trust's Nominating, Compensation and Governance Committee (the "Nominating Committee"), which has the responsibility, among other things, to: (i) make recommendations and to consider shareholder recommendations for nominations for Board members; (ii) review Board governance procedures and recommend any appropriate changes to the full Board; (iii) periodically review Independent Trustee compensation and recommend any changes to the Independent Trustees as a group; and (iv) make recommendations to the full Board for nominations for membership on all committees, review all committee assignments annually and periodically review the responsibilities and need for all committees of the Board.

The Nominating Committee will consider nominees recommended by Qualifying Fund Shareholders if an Independent Trustee vacancy on the Board occurs. A Qualifying Fund Shareholder is a shareholder that: (i) owns of record, or beneficially through a financial intermediary, 1/2 of 1% or more of the Trust's outstanding shares; and (ii) has been a shareholder of at least 1/2 of 1% of the Trust's total outstanding shares for 12 months or more prior to submitting the recommendation to the Nominating Committee. In order to recommend a nominee, a Qualifying Fund Shareholder should send a letter to the chairperson of the Nominating Committee, Mr. Walter Auch, care of the Secretary of the Trust at UBS Global Asset Management, One North Wacker Drive, Chicago, Illinois 60606, and indicate on the envelope "Nominating Committee." The Qualifying Fund Shareholder's letter should include: (i) the name and address of the Qualifying Fund Shareholder making the recommendation; (ii) the number of shares of each class and series of shares of the Trust which are owned of record and beneficially by such Qualifying Fund Shareholder and the length of time that such shares have been so owned by the Qualifying Fund Shareholder; (iii) a description of all arrangements and understandings between such Qualifying Fund Shareholder and any other person or persons (naming such person or persons) pursuant to which the recommendation is being made; (iv) the name and address of the nominee; and (v) the nominee's resume or CURRICULUM VITAE. The Qualifying Fund Shareholder's letter must be accompanied by a written consent of the individual to stand for election if nominated for the Board and to serve if elected by shareholders.

The Nominating, Compensation and Governance Committee met two times during the fiscal year ended December 31, 2004.

There is no separate Investment Committee. Items pertaining to these matters are submitted to the full Board.

PROXY VOTING POLICIES

The Board of Trustees believes that the voting of proxies on securities held by each Fund is an important element of the overall investment process. As such, the Board has delegated the responsibility to vote such proxies to the Advisor. Following is a summary of the Advisor's proxy voting policy.

You may obtain information about each Fund's proxy voting decisions, without charge, online on the Trust's website (www.ubs.com/ubsglobalam-proxy) or on the EDGAR database on the SEC's website (www.sec.gov) for the most recent 12-month period ending June 30th.

The proxy voting policy of the Advisor is based on its belief that voting rights have economic value and must be treated accordingly. Generally, the Advisor expects the boards of directors of companies issuing securities held by its clients to act as stewards of the financial assets of the company, to exercise good judgment and practice diligent oversight with the management

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of the company. While there is no absolute set of rules that determine appropriate corporate governance under all circumstances and no set of rules will guarantee ethical behavior, there are certain benchmarks, which, if substantial progress is made toward, give evidence of good corporate governance. The Advisor may delegate to an independent proxy voting and research service the authority to exercise the voting rights associated with certain client holdings. Any such delegation shall be made with the direction that the votes be exercised in accordance with the Advisor's proxy voting policy.

When the Advisor's view of a company's management is favorable, the Advisor generally supports current management initiatives. When the Advisor's view is that changes to the management structure would probably increase shareholder value, the Advisor may not support existing management proposals. In general, the Advisor: (1) opposes proposals which act to entrench management; (2) believes that boards should be independent of company management and composed of persons with requisite skills, knowledge and experience; (3) opposes structures which impose financial constraints on changes in control; (4) believes remuneration should be commensurate with responsibilities and performance; and (5) believes that appropriate steps should be taken to ensure the independence of auditors.

The Advisor has implemented procedures designed to identify whether it has a conflict of interest in voting a particular proxy proposal, which may arise as a result of its or its affiliates' client relationships, marketing efforts or banking, investment banking and broker/dealer activities. To address such conflicts, the Advisor has imposed information barriers between it and its affiliates who conduct banking, investment banking and broker/dealer activities and has implemented procedures to prevent business, sales and marketing issues from influencing its proxy votes. Whenever the Advisor is aware of a conflict with respect to a particular proxy, its appropriate local corporate governance committee is required to review and agree to the manner in which such proxy is voted.

ITEM 13. CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES.

As of February 28, 2005, the officers and Trustees, individually and as a group, owned beneficially less than 1% of the voting securities of each Fund.

As of February 28, 2005, the following persons owned of record or beneficially more than 5% of the outstanding voting shares of each Fund listed below. (The Funds not listed below either had not commenced operations as of such date, or there was no person who owned of record or beneficially more than 5% of the Fund's outstanding voting shares.)

<Table>
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NAME & ADDRESS OF BENEFICIAL AND RECORD OWNERS	PERCENTAGE
<S>	<C>
UBS GLOBAL SECURITIES RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS Global Securities Collective Fund Chicago, IL	33.55%
UBS Cayman Islands Ltd. for UBS Global Frontier Fund Ltd. US Georgetown, Grand Cayman	13.59%

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<S>	<C>
Howard Charitable Foundation Attn: R D Newell Seattle, WA	5.64%
R & L Howard Trust Attn: Mr. Howard Carlsbad, CA	5.54%
The Bank of New York as Trustee FBO Georgia Power New York, NY	5.10%
UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND	
*UBS Global Asset Management	60.02%

UBS Dynamic Alpha Fund Chicago, IL	
The Edna McConnell Clark Foundation New York, NY	17.05%
*Mary Hitchcock Memorial Hospital Lebanon, NH	16.76%
UBS LARGE-CAP SELECT EQUITY RELATIONSHIP FUND	
*District Board of Trustees of Miami Dade Community College Miami, FL	77.95%
Osteopathic Heritage Foundation of Nelsonville Columbus, OH	22.05%
UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS U.S. Value Equity Collective Fund Chicago, IL	89.12%
Strafe & Co FAO Indianapolis Symphony Orchestra Foundation Westerville, OH	9.47%
UBS SMALL-CAP EQUITY RELATIONSHIP FUND	
*UBS Pension Fund Zurich, Switzerland	28.84%

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*UBS Global Asset Management Trust Co. UBS U.S. Equity Collective Fund Chicago, IL	25.45%
UBS Global Asset Management UBS Global Allocation Fund Chicago, IL	16.73%
UBS Global Asset Management UBS Dynamic Alpha Fund Chicago, IL	9.80%
UBS Global Asset Management UBS Global Securities Relationship Fund Chicago, IL	9.11%
UBS INTERNATIONAL EQUITY RELATIONSHIP FUND	
*UBS Global Asset Management UBS Dynamic Alpha Fund Chicago, IL	44.89%
Edna McConnell Clark Foundation New York, NY	16.20%
Board of Regents of the University of Wisconsin System Madison, WI	15.02%
The Retirement Research Foundation Chicago, IL	11.64%
Baptist Health System Inc. Birmingham, AL	7.65%
UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS Emerging Markets Equity Collective Fund Chicago, IL	37.73%
*UBS Global Asset Management UBS Global Allocation Fund Chicago, IL	29.94%

UBS Global Asset Management 14.82%
UBS Global Securities Relationship Fund
Chicago, IL
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UBS Global Asset Management UBS Dynamic Alpha Fund Chicago, IL	7.20%
UBS U.S. BOND RELATIONSHIP FUND	
*Nemours Foundation Jacksonville, FL	45.72%
*Howard Charitable Foundation Attn: R D Newell Seattle, WA	27.39%
ARAB International Bank Cairo, Egypt	18.19%
UNISYS Sperry Welfare Benefit Trust Blue Bell, PA	8.69%
UBS U.S. CASH MANAGEMENT PRIME RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS U.S. Cash Management Prime Collective Fund Chicago, IL	83.16%
Wilmington Trust Trustee for The Brinson Partners Supplemental Incentive Compensation Plan Wilmington, DE	6.48%
UBS HIGH YIELD RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS US Balanced Collective Fund Chicago, IL	29.63%
Telias Pensionsstiftelse 2 Farsta, Sweden	24.86%
UBS Global Asset Management UBS Global Allocation Fund Chicago, IL	17.39%
State of Nebraska Investment Council Pension Lincoln, NE	11.56%
UBS Global Asset Management UBS Global Securities Relationship Fund Chicago, IL	9.15%

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UBS EMERGING MARKETS DEBT RELATIONSHIP FUND	
*LGT Financial Services Principality of Liechtenstein	93.03%
Progress Energy Supplemental Retirement Plan Raleigh, NC	5.87%
UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS Securitized U.S. Mortgage Collective Fund Chicago, IL	66.03%
SMA Relationship Trust - Series T c/o UBS Global Asset Management Trust Co. Chicago, IL	19.00%

Calouste Gulbenkian Foundation London, England	9.08%
UBS OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND	
*UBS Opportunistic High Yield Collective Cardis Collis, IL	87.18%
Northern Trust Company Custodian FBO A I Dupont Chicago, IL	10.87%
UBS CORPORATE BOND RELATIONSHIP FUND	
*UBS Global Asset Management Trust Co. UBS US Bond Collective Fund Chicago, IL	66.31%
*SMA Relationship Trust - Series T c/o UBS Global Asset Management Chicago, IL	33.69%
UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND	
*CMC Holding Delaware Inc. Newark, DE	100.00%

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* Person deemed to control the Fund under the provisions of the Investment Company Act. Note that a controlling person possesses the ability to control the outcome of matters submitted for shareholder vote of the Fund.

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As of February 28, 2005, the following person owned of record or beneficially more than 5% of the outstanding voting shares of the Trust:

<Table>
<Caption>

NAME & ADDRESS OF BENEFICIAL AND RECORD OWNERS	PERCENTAGE
<S>	<C>
**UBS Global Asset Management Trust Co. UBS U.S. Cash Management Prime Collective Fund Chicago, IL	55.90%

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** Any person who owns beneficially, either directly or through one or more controlled companies, more than 25% of the voting securities of the Trust is presumed to control the Trust under the provisions of the Investment Company Act. Note that a controlling person possesses the ability to control the outcome of matters submitted for shareholder vote of the Trust or a particular Fund.

ITEM 14. INVESTMENT ADVISORY AND OTHER SERVICES.

INVESTMENT ADVISOR

UBS Global Asset Management (Americas) Inc. manages the assets of the Trust pursuant to the Advisory Agreements with the Trust. The Advisor is an investment management firm managing approximately $61.3 billion as of December 31, 2004, primarily for institutional pension and profit sharing funds. The Advisor is an indirect, wholly owned subsidiary of UBS AG ("UBS") and a member of the UBS Global Asset Management Division, which had approximately $527.4 billion in assets under management worldwide as of December 31, 2004. The Advisor also serves as the investment advisor or sub-advisor to twenty-five other investment companies: The UBS Funds Fort Dearborn Income Securities, Inc., UBS (US) Group Trust, Allmerica Core Equity Fund-Large Value, AXP Partners Small Growth Fund, BB&T International Equity Fund, Enterprise Growth & Income Portfolio (Enterprise Accumulation Trust), Enterprise Growth and Income Fund (Enterprise Group of Funds), Enterprise Strategic Allocation Fund (Enterprise Group of Funds), Guardian UBS Large Cap Value Fund, Guardian UBS Small Cap Value Fund, Guardian UBS VC large Cap Value Fund, Guardian UBS VC Small Cap Value Fund, ING DSI Enhanced S&P 500 Portfolio, ING UBS Tactical Asset Allocation Portfolio, ING UBS U.S. Balanced Portfolio, JPMorgan Multi-Manager Small Cap Growth Fund, Lincoln Variable Insurance Products Trust-Global Asset Allocation Fund, Manulife Global Allocation Trust, MTB (formerly Vision) International Equity Fund, Ohio National Small Cap Growth, Principal Partners Small Cap Growth Fund II, Principal Small Cap Growth Fund, Inc., Principal Variable Contracts Fund, Inc., and Saratoga Health & Biotechnology Portfolio.

Under the Advisory Agreements, the Advisor is responsible for the management of the investment and reinvestment of the assets of each Fund, subject to the control of the Trust's officers and the Board. The Advisor receives no fees from the Funds or the Trust for providing investment advisory services and the

Advisor is responsible for paying the Advisor's own expenses.

The Advisory Agreements provide that they will terminate in the event of their assignment (as defined in the Investment Company Act) and that they may be terminated by the Trust (by the Board or vote of a majority of the outstanding voting shares of the Trust) or the Advisor upon 60 days' written notice, without payment of any penalty. The Advisory Agreements provide that they will continue in effect for a period of more than two years from their execution only so long

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as such continuance is specifically approved at least annually in conformity with the Investment Company Act.

At meetings of the Trust's Board of Trustees, the Trustees considered and approved for a period of one-year the continuation of the Advisory Agreements between the Trust and the Advisor on behalf of the Funds.

In considering the continuance of the Advisory Agreements, the Trustees analyzed the nature, quality and scope of the Advisor's services, the revenues received and expenses incurred (actual and projected) by the Advisor in performing the services required under the Advisory Agreements and the cost allocation methods used in calculating such expenses. In addition, the Trustees reviewed the Funds' fees and expense ratios in comparison to the fees and expenses of comparable funds. The Trustees also reviewed the Advisor's profitability in managing the Funds; possible economies of scale to the Advisor; and the ability of the Advisor to continue to perform the services contemplated under the Advisory Agreements.

The Trustees also evaluated the performance of the Funds in comparison to the performance of funds with similar objectives and policies and the performance of the Funds' benchmark indices. With respect to Funds with short-term performance that lagged the performance of funds in their peer groups, the Trustees discussed the factors in portfolio composition and strategy with representatives of the Advisor that affected the performance of the Funds. The Trustees also evaluated: (i) the relevant investment advisory personnel at the Advisor, and the Advisor's in-house research capabilities, as well as other resources available to the Advisor's personnel, including research services available to the Advisor as a result of securities transactions effected for the Funds and the Advisor's other investment advisory clients; and (ii) compliance with each Fund's investment restrictions, relevant tax and reporting requirements, and procedures of the Advisor with respect to possible conflicts of interest, including the Advisor's code of ethics, trade allocation procedures for its various investment advisory clients, and best execution procedures.

The Trustees gave substantial consideration to the fact that the Advisor is not compensated by the Funds under the Advisory Agreements. In this regard, the Trustees evaluated the Advisor's profitability with respect to the Funds, including consideration of so-called "fallout benefits" to the Advisor or its affiliates, such as, for example, value derived from serving as investment advisor to the Funds, and the research services available to the Advisor by reason of brokerage commissions from other funds. Based on these considerations and the overall high-quality of the personnel, operations, financial condition, investment advisory capabilities, methodologies, and performance of the Advisor, the Trustees concluded that while no advisory fees are paid under the Advisory Agreements. the scope and quality of the Advisor's services to the Funds were fair and reasonable and sufficient to approve the continuance of the Advisory Agreements between the Trust and the Advisor.

With respect to the UBS Absolute Return Bond Relationship Fund, the UBS Emerging Markets Equity Completion Relationship Fund, the UBS U.S. Small-Mid Cap Core Equity Relationship Fund, the UBS U.S. Small-Mid Cap Growth Relationship Fund and the UBS U.S. Equity Long/Short Relationship Fund (collectively, the "New Funds"), at meetings of the Trust's Board of Trustees, the Trustees considered and approved for a period of two years the Advisory Agreements between the Trust and the Advisor on behalf of the New Funds.

In considering the approval of the Advisory Agreements, the Trustees analyzed the nature, quality and scope of the services to be provided to the New Funds by the Advisor, including the

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investment strategies and techniques to be employed by the Advisor in managing the New Funds. The Trustees also reviewed the revenues projected to be received and the expenses projected to be incurred by the Advisor in performing the services required under the Advisory Agreements, as well as the cost allocation methods used in calculating such expenses. In addition, the Trustees reviewed the New Funds' projected fees and expense ratios in comparison to the fees and expenses of comparable funds and other series of the Trust.

The Trustees also evaluated: (i) the investment advisory personnel at the Advisor responsible for managing the New Funds, and the Advisor's in-house research capabilities, as well as other resources available to the Advisor's personnel, including research services available to the Advisor as a result of securities transactions effected for the other series of the Trust and the Advisor's other investment advisory clients; and (ii) the procedures of the Advisor to ensure compliance with the New Funds' investment restrictions, relevant tax and reporting requirements, as well as the procedures of the Advisor with respect to possible conflicts of interest, including the Advisor's code of ethics, trade allocation procedures for its various investment advisory clients, and best execution procedures.

The Trustees gave substantial consideration to the fact that the Advisor will not be compensated by the New Funds under the Advisory Agreements. The Trustees also noted that the Advisor has more than twenty years of experience in managing global investment portfolios and that the investment advisory personnel responsible for managing the New Funds have significant experience managing other similar series in the UBS Family of Funds. Based on these considerations and the overall high-quality of the personnel, operations, financial condition, investment advisory capabilities and methodologies of the Advisor, the Trustees concluded that while no advisory fees are paid under the Advisory Agreements, the scope and quality of the Advisor's services to the New Funds were fair and reasonable and sufficient to approve the Advisory Agreements between the Trust and the Advisor.

ADMINISTRATIVE, ACCOUNTING, TRANSFER AGENCY AND CUSTODIAN SERVICES

The Trust, on behalf of each Fund, has entered into a Multiple Services Agreement (the "Services Agreement") with JPMorgan Chase Bank, 270 Park Avenue, New York, New York 10017 ("Chase"), pursuant to which Chase provides general administrative, accounting, portfolio valuation, transfer agency and custodian services to each Fund.

Chase provides custodian services for the securities, cash and other assets of each Fund. The custody fee schedule is based primarily on the net amount of assets held during the period for which payment is being made.

As authorized under the Services Agreement, Chase has entered into a Mutual Funds Service Agreement (the "J.P. Morgan Agreement") with J.P. Morgan Investor Services Co. ("J.P. Morgan"), a corporate affiliate of Chase, under which J.P. Morgan provides administrative, accounting, portfolio valuation, and transfer agency services to each Fund. J.P. Morgan's business address is 73 Tremont Street, Boston, Massachusetts 02108-3913. Subject to the supervision of the Board of the Trust, Chase supervises and monitors such services provided by J.P. Morgan.

Pursuant to the J.P. Morgan Agreement, J.P. Morgan provides:

(1) administrative services, including providing the necessary office space, equipment and personnel to perform administrative and clerical services;

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preparing, filing and distributing proxy materials, periodic reports to Investors, registration statements and other documents; and responding to Investor inquiries;

(2) accounting and portfolio valuation services, including the daily calculation of each Fund's net asset value and the preparation of certain financial statements; and

(3) transfer agency services, including the maintenance of each Investor's account records, responding to Investors' inquiries concerning accounts, processing purchases and redemptions of each Fund's shares, acting as dividend and distribution disbursing agent and performing other service functions.

For its general administrative, accounting, portfolio valuation, transfer agency and custodian services, Chase receives the following as compensation from the Trust on an annual basis: 0.04% of the average weekly U.S. net assets of the Trust; 0.09% of the average weekly non-U.S. net assets of the Trust; 0.325% of the average weekly emerging markets net equity assets of the Trust; 0.09% of the average weekly emerging markets debt non-U.S. dollar denominated net assets of the Trust; and 0.04% of the average weekly emerging markets debt U.S. dollar denominated net assets of the Trust. A $10,000 per fund fixed fee will also apply for any fund of funds arrangements. Chase also receives a $25 per account per annum fee for transfer agency services. Chase receives an additional fee of 0.075% of the average weekly net assets of the Trust for administrative duties, the latter subject to the expense limitation applicable to the Trust. The foregoing fees include all out-of-pocket expenses or transaction charges incurred by Chase and any third party service provider in providing such services. Pursuant to the J.P. Morgan Agreement, Chase pays J.P. Morgan for the services J.P. Morgan provides to Chase in fulfilling its obligations under the Services Agreement.

Aggregate fees paid to Chase for the fiscal years ended December 31, 2002, 2003 and 2004, for administration, accounting, portfolio valuation, transfer agency, and custodian services under the Services Agreement were as follows:

FUND	2002	2003	2004
UBS Global Securities Relationship Fund	$ 333,090	$ 682,079	$ 880,153
UBS Small-Cap Equity Relationship Fund	$ 25,381	$ 89,764	$ 123,369
UBS High Yield Relationship Fund	$ 24,085	$ 80,474	$ 57,551
UBS Emerging Markets Equity Relationship Fund	$ 799,804	$ 1,578,531	$ 1,628,465
UBS Emerging Markets Debt Relationship Fund	$ 138,554	$ 246,291	$ 124,772
UBS U.S. Large Cap Equity Relationship Fund	$ 8,496	$ 28,436	$ 34,006
UBS U.S. Cash Management Prime Relationship Fund	$ 53,882	$ 0	$ 0
UBS U.S. Large-Cap Value Equity Relationship Fund	$ 17,240	$ 53,583	$ 37,722
UBS International Equity Relationship Fund	$ 52,474	$ 122,687	$ 80,175

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FUND	2002	2003	2004
UBS Short-Term Relationship Fund	$ 0	$ 762	$ 0
UBS Large-Cap Select Equity Relationship Fund	$ 2,176	$ 6,571	$ 4,621
UBS U.S. Securitized Mortgage Relationship Fund	$ 118,573	$ 367,756	$ 968,165
UBS U.S. Bond Relationship Fund	$ 14,374	$ 43,839	$ 28,324
UBS Corporate Bond Relationship Fund	$ 0	$ 23,247	$ 176,919
UBS Opportunistic High Yield Relationship Fund	$ 2,138	$ 8,745	$ 13,858
Total	$ 1,590,267	$ 3,332,765	$ 4,158,101

INDEPENDENT AUDITORS

Ernst & Young LLP, New York, New York, is the independent registered public accounting firm of the Trust.

EXPENSES

Each Fund will be responsible for all of its own expenses other than those borne by the Advisor pursuant to the Advisory Agreements and organizational expenses. Such expenses may include, but are not limited to, legal expenses, Trustees' fees, audit fees, printing costs (e.g., cost of printing annual reports and semi-annual reports which are distributed to existing Investors), brokerage commissions, fees and expenses of J.P. Morgan and the expenses of obtaining quotations of portfolio securities and of pricing the Fund's shares. General expenses which are not associated directly with any particular series of the Trust (e.g., insurance premiums, expenses of maintaining the Trust's legal existence and of Investors' meetings and fees and expenses of industry organizations) are allocated among the various Funds of the Trust based upon their relative net assets.

The Advisor has agreed to pay the amount, if any, by which the total operating expenses of a Fund for any fiscal year exceed the percentages shown below for each Fund's average net assets. The Advisor, however, may discontinue this expense limitation at any time in its sole discretion.

FUND	LIMITATION ON TOTAL OPERATING EXPENSES AS A PERCENTAGE OF AVERAGE NET ASSETS

UBS Global Securities Relationship Fund	0.0875%
UBS Small-Cap Equity Relationship Fund	0.0375%
UBS High Yield Relationship Fund	0.0375%
UBS Defensive High Yield Relationship Fund	0.0475%

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FUND	LIMITATION ON TOTAL OPERATING EXPENSES AS A PERCENTAGE OF AVERAGE NET ASSETS
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UBS Emerging Markets Equity Relationship Fund	0.5000%
UBS Emerging Markets Debt Relationship Fund	0.5000%
UBS U.S. Large Cap Equity Relationship Fund	0.0475%
UBS U.S. Cash Management Prime Relationship Fund	0.0100%
UBS U.S. Large-Cap Value Equity Relationship Fund	0.0475%
UBS International Equity Relationship Fund	0.0900%
UBS Short Duration Relationship Fund	0.0475%
UBS Enhanced Yield Relationship Fund	0.0475%
UBS U.S. Treasury Inflation Protected Securities Relationship Fund	0.0475%
UBS Short-Term Relationship Fund	0.0875%
UBS Global Aggregate Bond Relationship Fund	0.0875%
UBS Large-Cap Select Equity Relationship Fund	0.0475%
UBS U.S. Intermediate Cap Equity Relationship Fund	0.0475%
UBS U.S. Core Plus Relationship Fund	0.0875%
UBS U.S. Bond Relationship Fund	0.0475%
UBS U.S. Securitized Mortgage Relationship Fund	0.1375%
UBS Opportunistic High Yield Relationship Fund	0.1375%
UBS Opportunistic Emerging Markets Debt Relationship Fund	0.5000%
UBS Corporate Bond Relationship Fund	0.1000%
UBS All Country World Ex US Equity Relationship Fund	0.2300%
UBS Absolute Return Bond Relationship Fund	0.1000%
UBS Emerging Markets Equity Completion Relationship Fund	0.5000%
UBS U.S. Small-Mid Cap Core Equity Relationship Fund	0.1200%
UBS U.S. Small-Mid Cap Growth Relationship Fund	0.1200%
UBS U.S. Equity Long/Short Relationship Fund	0.4000%

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OTHER SERVICES

J.P. Morgan also serves as the Funds' transfer agent (in such capacity, the "Transfer Agent"), accounting/pricing agent, and dividend and distribution disbursing agent pursuant to the Services Agreement.

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CODE OF ETHICS

The Trust and the Advisor have adopted a Code of Ethics. The Code of Ethics establishes standards by which employees of UBS Global Asset Management (including all employees of the Advisor) (together, "Covered Persons") must abide when engaging in personal securities trading conduct.

Under the Code of Ethics, Covered Persons are prohibited from: (i) knowingly buying, selling or transferring any security (subject to narrow exceptions) within five calendar days before or after that same security, or an equivalent security, is purchased or sold by the Funds; (ii) entering into a net short position with respect to any security that is held by the Funds; (iii) purchasing or selling futures (except currency forwards) that are not traded on an exchange, as well as options on any type of futures; and (iv) acquiring securities in an initial public offering (other than a new offering of a registered open-end investment company).

In addition, Covered Persons must obtain prior written approval before purchasing, selling or transferring any security subject to certain exceptions listed in the Code of Ethics. Covered Persons and Trustees are required to file the following reports: (1) an initial holdings report disclosing all securities owned by the Covered Person or Interested Trustee and any securities accounts maintained by the Covered Person or Interested Trustee, which must be filed within ten days of becoming a Covered Person or Interested Trustee (Independent Trustees are not required to file this report); and (2) quarterly reports of security investment transactions and new securities accounts. Independent Trustees need only report a transaction in a security if such Trustee, at the time of the transaction, knew or should have known, in the ordinary course of fulfilling his official duties as a Trustee, that, during the 15-day period immediately preceding or after the date of the transaction by the Trustee, such security was purchased or sold by a Fund, or was being considered for purchase or sale by a Fund.

A copy of the Code of Ethics has been filed with and is available through the Commission.

ITEM 15. PORTFOLIO MANAGERS.

Presented below is information about those individuals identified as portfolio managers of the Funds in the Funds' Part As.

The following table provides information relating to other accounts managed by the portfolio managers as of December 31, 2004:

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	REGISTERED INVESTMENT COMPANIES		OTHER POOLED INVESTMENT VEHICLES		OTHER ACCOUNTS	
PORTFOLIO MANAGER (FUNDS MANAGED)	NUMBER	ASSETS MANAGED (IN MILLIONS)	NUMBER	ASSETS MANAGED (IN MILLIONS)	NUMBER	ASSETS MANAGED (IN MILLIONS)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BRIAN D. SINGER (UBS GLOBAL SECURITIES RELATIONSHIP FUND)	7	$ 5,250	8	$ 3,760	29	$ 2,880
JOHN C. LEONARD (UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND, UBS LARGE CAP SELECT RELATIONSHIP FUND, UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND, UBS U.S. INTERMEDIATE CAP EQUITY RELATIONSHIP FUND AND UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND)	21	$ 10,893	10	$ 2,100	60(1)	$ 8,693

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	REGISTERED INVESTMENT COMPANIES		OTHER POOLED INVESTMENT VEHICLES		OTHER ACCOUNTS	
PORTFOLIO MANAGER (FUNDS MANAGED)	NUMBER	ASSETS MANAGED (IN MILLIONS)	NUMBER	ASSETS MANAGED (IN MILLIONS)	NUMBER	ASSETS MANAGED (IN MILLIONS)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
THOMAS M. COLE (UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND, UBS LARGE CAP SELECT RELATIONSHIP FUND, UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND, UBS U.S. INTERMEDIATE CAP EQUITY RELATIONSHIP FUND AND UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND)	21	$ 10,893	10	$ 2,100	60(1)	$ 8,693
THOMAS DIGENAN (UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND, UBS LARGE CAP SELECT RELATIONSHIP FUND, UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND, UBS U.S. INTERMEDIATE CAP EQUITY RELATIONSHIP FUND AND UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND)	21	$ 10,893	10	$ 2,100	60(1)	$ 8,693
SCOTT HAZEN (UBS U.S. LARGE CAP EQUITY RELATIONSHIP FUND, UBS LARGE CAP SELECT RELATIONSHIP FUND, UBS U.S. LARGE-CAP VALUE EQUITY RELATIONSHIP FUND, UBS U.S. INTERMEDIATE CAP EQUITY RELATIONSHIP FUND AND UBS U.S. EQUITY LONG/SHORT RELATIONSHIP FUND)	21	$ 10,893	10	$ 2,100	60(1)	$ 8,693
JOHN A. PENICOOK (UBS U.S. TREASURY INFLATION PROTECTED SECURITIES RELATIONSHIP FUND, UBS U.S. CORE PLUS RELATIONSHIP FUND, UBS U.S. BOND RELATIONSHIP FUND, UBS GLOBAL AGGREGATE BOND RELATIONSHIP FUND, UBS U.S. SECURITIZED MORTGAGE RELATIONSHIP FUND, UBS CORPORATE BOND RELATIONSHIP FUND AND UBS ABSOLUTE RETURN BOND RELATIONSHIP FUND)	23	$ 27,883	11	$ 2,110	100(2)	$ 14,638
WILFRED TALBOT (UBS SMALL-CAP EQUITY RELATIONSHIP FUND AND UBS U.S. SMALL-MID CAP CORE EQUITY RELATIONSHIP FUND)	3	$ 369	4	$ 146	12(3)	$ 990
MARIANNE ROSSI (UBS HIGH YIELD RELATIONSHIP FUND, UBS DEFENSIVE HIGH YIELD RELATIONSHIP FUND AND UBS						

OPPORTUNISTIC HIGH YIELD RELATIONSHIP FUND)	6	$	750	8	$	480	14(2)	$	640
MICHAEL MARKOWITZ (UBS SHORT DURATION RELATIONSHIP FUND, UBS ENHANCED YIELD RELATIONSHIP FUND, UBS SHORT-TERM RELATIONSHIP FUND AND UBS U.S. CASH MANAGEMENT PRIME RELATIONSHIP FUND)	10	$	25,500	6	$	1,200	56(2)	$	24,093
THOMAS MADSEN (UBS INTERNATIONAL EQUITY RELATIONSHIP FUND AND UBS ALL COUNTRY WORLD EX US EQUITY RELATIONSHIP FUND)	4	$	850	3	$	2,400	0	$	0
UWE SCHILLHORN (UBS EMERGING MARKETS DEBT RELATIONSHIP FUND AND UBS OPPORTUNISTIC EMERGING MARKETS DEBT RELATIONSHIP FUND)	2	$	108	10	$	700	9(2)	$	350
MEHRAN NAKHJAVANI (UBS EMERGING MARKETS EQUITY RELATIONSHIP FUND AND UBS EMERGING MARKETS EQUITY COMPLETION RELATIONSHIP FUND)	2	$	400	2	$	100	17	$	7,900
PAUL GRAHAM (UBS U.S. SMALL-MID CAP GROWTH RELATIONSHIP FUND)	7	$	790	2	$	493	7(4)(5)	$	452
DAVID WABNIK (UBS U.S. SMALL-MID CAP GROWTH RELATIONSHIP FUND)	7	$	790	2	$	493	7(4)(5)	$	452

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(1) Approximately. This also includes one wrap model counted as one account.
(2) Approximately.
(3) Approximately. This includes six wrap account models each counted as one account.
(4) Approximately. This also includes one wrap model counted as one account.
(5) One of these accounts with assets of $52 million has an advisory fee based upon the performance of the account.

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The management of a Fund and other accounts by a portfolio manager could result in potential conflicts of interest if the Fund and other accounts have different objectives, benchmarks and fees because the portfolio manager and his team must allocate time and investment expertise across multiple accounts, including the Fund. The portfolio manager and his team manage the Fund and other accounts utilizing a model portfolio approach that groups similar accounts within a model portfolio. The Advisor manages accounts according to the appropriate model portfolio, including where possible, those accounts that have specific investment restrictions. Accordingly, portfolio holdings, position sizes, and industry and sector exposures tend to be similar across accounts, which may minimize the potential for conflicts of interest.

If a portfolio manager identifies a limited investment opportunity that may be suitable for more than one account or model portfolio, the Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible model portfolios and accounts. To deal with these situations, the Advisor has adopted procedures for allocating portfolio trades across multiple accounts to provide fair treatment to all accounts.

The management of personal accounts by a portfolio manager may also give rise to potential conflicts of interest. The Advisor and the Trust have adopted Codes of Ethics that govern such personal trading but there is no assurance that the Codes will adequately address all such conflicts.

The compensation received by portfolio managers at UBS Global Asset Management, including the Funds' portfolio managers, includes a base salary and incentive compensation based on their personal performance. UBS Global Asset Management's compensation and benefits programs are designed to provide its investment professionals with incentives to excel, and to promote an entrepreneurial, performance-oriented culture. They also align the interests of the investment professionals with the interests of UBS Global Asset Management's clients. Overall compensation can be grouped into four categories:

- Competitive salary, benchmarked to maintain competitive compensation opportunities.
- Annual bonus, tied to individual contributions and investment performance.
- UBS equity awards, promoting company-wide success and employee retention.
- Partnership Incentive Program (PIP), a phantom-equity-like program for key senior staff.

BASE SALARY is used to recognize the experience, skills and knowledge that the investment professionals bring to their roles. Salary levels are monitored and adjusted periodically in order to remain competitive within the investment management industry.

ANNUAL BONUSES are strictly and rigorously correlated with performance. As such, annual incentives can be highly variable, and are based on three components: 1) the firm's overall business success; 2) the performance of the respective asset class and/or investment mandate; and 3) an individual's specific contribution to the firm's results. UBS Global Asset Management strongly believes that tying bonuses to both long-term (3-year) and shorter-term (1-year) portfolio performance closely aligns the investment professionals' interests with those of UBS Global Asset Management's clients.

UBS AG EQUITY. Senior investment professionals, including each portfolio manager of the Funds, may receive a portion of their annual performance-based incentive in the form of

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deferred or restricted UBS AG shares or employee stock options. UBS Global Asset Management believes that this reinforces the critical importance of creating long-term business value and also serves as an effective retention tool as the equity shares typically vest over a number of years.

Broader equity share ownership is encouraged for all employees through "Equity Plus." This long-term incentive program gives employees the opportunity to purchase UBS stock with after-tax funds from their bonus or salary. Two UBS stock options are given for each share acquired and held for two years. UBS Global Asset Management feels this engages its employees as partners in the firm's success, and helps to maximize its integrated business strategy.

PARTNERSHIP INCENTIVE PROGRAM (PIP). Designed to promote an entrepreneurial culture and drive long-term thinking, the PIP is a phantom equity-like program for key senior staff (approximately top 2%). By tying compensation to overall firm performance over the mid-to longer-term, the program offers significant compensation opportunities for UBS Global Asset Management's senior staff. Each portfolio manager of the Funds, except Paul Graham and David Wabnik, is eligible for this program.

As of the date of this Part B, no portfolio manager of the Funds owned shares in the Funds he or she managed.

ITEM 16. BROKERAGE ALLOCATION AND OTHER PRACTICES.

The Advisor is responsible for decisions to buy and sell securities for each Fund and for the placement of portfolio business with broker-dealers and the negotiation of commissions, if any, paid on such transactions. Fixed income securities in which the Funds invest are traded in the over-the-counter market. These securities are generally traded on a net basis with dealers acting as principal for their own accounts without a stated commission, although the bid/ask spread quoted on securities includes an implicit profit to the dealers. In over-the-counter transactions, orders are placed directly with a principal market-maker unless a better price and execution can be obtained by using a broker. Brokerage commissions are paid on transactions in listed securities, futures contracts and options thereon. The Advisor is responsible for effecting portfolio transactions and will do so in a manner deemed fair and reasonable to the Funds. Under the Advisory Agreements with each Fund except UBS International Equity Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund and the UBS Prime Relationship Fund, the Advisor is authorized to utilize the trading desk of its foreign affiliates to direct foreign securities transactions, but monitors the selection by such affiliates of brokers and dealers used to execute transactions for a Fund.

The primary consideration in all portfolio transactions will be prompt execution of orders in an efficient manner at the most favorable price. In selecting and monitoring broker-dealers and negotiating commissions, the Advisor considers the broker-dealer's reliability, the quality of its execution services on a continuing basis and its financial condition. When more than one broker-dealer is believed to meet these criteria, preference may be given to brokers who provide research or statistical material or other services to the Funds or to the Advisor. Such services include advice, both directly and in writing, as to the value of the securities; the advisability of investing in, purchasing or selling securities; and the availability of securities, or purchasers or sellers of securities; as well as analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts. This allows the Advisor to supplement its own investment research activities and obtain the views and information of others prior to making investment decisions. The Advisor is

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of the opinion that, because this material must be analyzed and reviewed by their staff, its receipt and use does not tend to reduce expenses but may benefit the Funds by supplementing the Advisor's research.

The brokerage commissions paid by the Funds for the fiscal years ended December 31, 2004, 2003, and 2002 are set forth in the table below.

BROKERAGE COMMISSIONS
FISCAL YEARS ENDED DECEMBER 31, 2004, 2003, AND 2002

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FUND	2004	2003	2002
UBS Global Securities Relationship Fund	$ 772,524	$ 601,713	$ 913,539
UBS Small-Cap Equity Relationship Fund	$ 768,143	$ 751,300	$ 520,847
UBS Emerging Markets Equity Relationship Fund	$ 1,233,165	$ 853,306	$ 661,888
UBS U.S. Large Cap Equity Relationship Fund	$ 118,485	$ 69,669	$ 81,504
UBS U.S. Large-Cap Value Equity Relationship Fund	$ 108,448	$ 89,909	$ 134,043
UBS International Equity Relationship Fund	$ 104,661	$ 98,843	$ 120,542
UBS Large-Cap Select Equity Relationship Fund	$ 12,924	$ 10,565	$ 19,319
Total	$ 3,118,350	$ 2,475,305	$ 2,451,682

</Table>

For the fiscal year ended December 31, 2004, the UBS Global Securities Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS U.S. Large-Cap Value Equity Relationship Fund, UBS International Equity Relationship Fund and UBS Large-Cap Select Equity Relationship Fund paid brokerage commissions to UBS Securities, LLC, an affiliated broker-dealer, as follows:

<Table>
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SERIES	AGGREGATE DOLLAR AMOUNT OF COMMISSIONS PAID TO UBS SECURITIES, LLC	% OF AGGREGATE COMMISSIONS	% OF AGGREGATE DOLLAR AMOUNT PAID
UBS Global Securities Relationship Fund	$ 34,260,304	7.14%	0.16%
UBS U.S. Large Cap Equity Relationship Fund	$ 5,530,637	7.91%	0.17%

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SERIES	AGGREGATE DOLLAR AMOUNT OF COMMISSIONS PAID TO UBS SECURITIES, LLC	% OF AGGREGATE COMMISSIONS	% OF AGGREGATE DOLLAR AMOUNT PAID
UBS U.S. Large-Cap Value Equity Relationship Fund	$ 7,222,652	9.23%	0.14%
UBS International Equity Relationship Fund	$ 1,807,908	2.55%	0.15%
UBS Large-Cap Select Equity Relationship Fund	$ 797,996	8.12%	0.13%

</Table>

For the fiscal years ended December 31, 2003 and 2002, the UBS Global Securities Relationship Fund, UBS Emerging Markets Equity Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS U.S. Large-Cap Value Equity Relationship Fund, UBS International Equity Relationship Fund and UBS Large-Cap Select Equity Relationship Fund paid brokerage commissions to UBS Securities, LLC, an affiliated broker-dealer, as follows:

<Table>
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SERIES	AGGREGATE DOLLAR AMOUNT OF COMMISSIONS PAID TO UBS SECURITIES, LLC	
	2003	2002

UBS Global Securities Relationship Fund	$ 4,708	$ 0
UBS Emerging Markets Equity Relationship Fund	$ 455	$ 0
UBS U.S. Large Cap Equity Relationship Fund	$ 9,890	$ 13,146
UBS U.S. Large-Cap Value Equity Relationship Fund	$ 6,701	$ 15,497
UBS International Equity Relationship Fund	$ 341	$ 0
UBS Large-Cap Select Equity Relationship Fund	$ 497	$ 2,962

</Table>

The Advisor directs portfolio transactions for other investment companies and advisory accounts. Research services furnished by broker-dealers through whom the Funds direct their securities transactions may be used by the Advisor in servicing all of their accounts; not all such services may be used in connection with the Funds. In the opinion of the Advisor, it is not possible to measure separately the benefits from research services to each of such accounts (including the Funds). The Advisor will attempt to equitably allocate portfolio transactions among the Funds and others whenever concurrent decisions are made to purchase or sell securities by the Funds and other accounts. In making such allocations between the Funds and others, the main factors to be considered are the respective investment objectives, the relative size of portfolio holdings of the same or comparable securities, the availability of cash for investment, the size of investment commitments generally held, and the opinions of the persons responsible for recommending investments to the Funds and others. In some cases, this procedure could have an adverse effect on the Funds. In the opinion of the Advisor, however, the results of such procedures will, on the whole, be in the best interest of each of their clients.

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When buying or selling securities, the Funds may pay commissions to brokers who are affiliated with the Advisor or the Funds. The Funds may purchase securities in certain underwritten offerings for which an affiliate of the Funds or the Advisor may act as an underwriter. The Funds may effect future transactions through, and pay commissions to, futures commission merchants who are affiliated with the Advisor or the Funds in accordance with procedures adopted by the Board.

PORTFOLIO TURNOVER

The Funds are free to dispose of their portfolio securities at any time, subject to complying with the Code and the Investment Company Act, when changes in circumstances or conditions make such turnover desirable in light of each Fund's investment objective. The Funds will not attempt to achieve or be limited to a predetermined rate of portfolio turnover, such a turnover always being incidental to transactions undertaken with a view to achieving the Funds' investment objectives.

While it is the policy of the Funds generally not to engage in trading for short-term gains, the Funds will effect portfolio transactions without regard to the holding period if, in the judgment of the Advisor, such transactions are advisable in light of a change in circumstances of a particular company, within a particular industry or country, or in general market, economic or political conditions. The rate of portfolio turnover for a Fund is calculated by dividing: (a) the lesser of purchases or sales of portfolio securities for the particular fiscal year by (b) the monthly average of the value of the portfolio securities owned by that Fund during the particular fiscal year. Such monthly average is calculated by totaling the values of the portfolio securities as of the beginning and end of the first month of the particular fiscal year and as of the end of each of the succeeding eleven months and dividing the sum by 13. As described in the respective Parts A for UBS Opportunistic Emerging Markets Debt Relationship Fund and UBS Opportunistic High Yield Relationship Fund, in conjunction with each Fund's strategy to provide opportunistic exposure to the specific asset classes, each Fund may have a portfolio turnover rate in excess of 250%. Although the portfolio turnover rates for each Fund may vary greatly from year to year, under normal circumstances, the portfolio turnover rate will not exceed 250% with respect to UBS Global Securities Relationship Fund, UBS Global Aggregate Bond Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS Large-Cap Select Equity Relationship Fund, UBS U.S. Intermediate Cap Equity Fund, UBS U.S. Value Equity Relationship Fund, UBS U.S. Bond Relationship Fund, UBS U.S. Core Plus Relationship Fund, UBS Short Duration Relationship Fund, UBS Corporate Bond Relationship Fund and UBS All Country World Ex US Equity Relationship Fund, 150% with respect to UBS U.S. Securitized Mortgage Relationship Fund and UBS U.S. Treasury Inflation Protected Securities Relationship Fund and 100% with respect to all other Funds. It is expected that, under normal circumstances, the portfolio turnover rate of UBS Enhanced Yield Relationship Fund, UBS Defensive High Yield Relationship Fund and UBS Emerging Markets Debt Relationship Fund may exceed 100%. High portfolio turnover rates will increase aggregate brokerage commission expenses which must be borne directly by a Fund and ultimately by that Fund's Investors and the incidence of short-term capital gains (which are taxable to Investors at the same rate as ordinary income).

ITEM 17. CAPITAL STOCK AND OTHER SECURITIES.

The Trust is a Delaware statutory trust established on August 16, 1994. The

Agreement and Declaration of Trust (the "Declaration of Trust") permits the Board to issue an unlimited number of shares of beneficial interest with no par value. The Board has the power to designate one or

more series or sub-series/classes of shares of beneficial interest and to classify or reclassify any unissued shares with respect to such series. Currently, the Trust consists of shares of twenty-nine series: UBS Global Securities Relationship Fund, UBS Global Aggregate Bond Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS Large-Cap Select Equity Relationship Fund, UBS U.S. Intermediate Cap Equity Relationship Fund, UBS U.S. Large-Cap Value Equity Relationship Fund, UBS Small-Cap Equity Relationship Fund, UBS International Equity Relationship Fund, UBS Emerging Markets Equity Relationship Fund, UBS U.S. Core Plus Relationship Fund, UBS U.S. Bond Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund, UBS Short Duration Relationship Fund, UBS Enhanced Yield Relationship Fund, UBS Short-Term Relationship Fund, UBS U.S. Treasury Inflation Protected Securities Relationship Fund, UBS U.S. Cash Management Prime Relationship Fund, UBS High Yield Relationship Fund, UBS Defensive High Yield Relationship Fund, UBS Emerging Markets Debt Relationship Fund, UBS Opportunistic High Yield Relationship Fund, UBS Opportunistic Emerging Markets Debt Relationship Fund, UBS Corporate Bond Relationship Fund, UBS All Country World Ex US Equity Relationship Fund, UBS Absolute Return Bond Relationship Fund, UBS Emerging Markets Equity Completion Relationship Fund, UBS U.S. Small-Mid Cap Core Equity Relationship Fund, UBS U.S. Small-Mid Cap Growth Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund.

The shares of the Trust, when issued, will be fully paid and non-assessable, and within each series, have no preference as to conversion, exchange, dividends, retirement or other features. Any shares the issuance of which the Board may, from time to time, authorize, shall have no preemptive rights. The shares are not transferable except to the Trust.

VOTING RIGHTS AND INVESTOR MEETINGS. The shares of the Trust have non-cumulative voting rights, which means that the holders of more than 50% of the shares voting for the election of members of the Board can elect 100% of the Trustees if they choose to do so. An Investor is entitled to vote based on the ratio the shares of such Investor bear to the shares of all Investors entitled to vote. On any matter submitted to a vote of Investors, all shares of the Trust then issued and outstanding and entitled to vote on a matter shall vote by individual series except that, if required by the Investment Company Act, the shares shall be voted in the aggregate. If the Board determines that a matter to be voted on does not affect the interests of all series, only the Investors of the affected series shall be entitled to vote on the matter. The Declaration of Trust gives Investors certain voting powers only with respect to: (i) the election and removal of Trustees; (ii) a termination of the Trust; (iii) amendments reducing payments upon liquidation or diminishing voting rights; (iv) mergers, consolidations or sales of assets; (v) the incorporation of the Trust; (vi) additional matters relating to the Trust as required by the Investment Company Act; and (vii) such other matters as the Board considers necessary or desirable.

The Trust does not presently intend to hold annual or special meetings of Investors except when required to elect members of the Board, or with respect to additional matters relating to the Trust, as required under the Investment Company Act. Pursuant to the Declaration of Trust, Investor meetings will also be called upon request of Investors holding in the aggregate 10% or more of the outstanding shares. Subject to certain conditions, Investors may apply to the Trust to communicate with other Investors to request an Investor meeting.

As with any mutual fund, certain Investors of the Funds could control the results of voting in certain instances. For example, a vote by certain Investors holding a majority of shares in a Fund to change the Fund's investment objective could result in an Investor's withdrawal of its investment in the Fund, and in increased costs and expenses for the remaining Investors. Additionally, the failure by certain Investors to approve a change in their investment objectives

and policies parallel to a change that has been approved for the Fund (thus requiring such Investors to redeem their shares of the Fund) could lead to a number of adverse consequences, such as the inability of such Investors to find another investment company in which to invest their assets or an equivalent investment advisor to manage the assets.

Certain Investors in the Funds may be unregistered investment companies, which invest in the Funds pursuant to exemptions under the federal securities laws. In order to take advantage of such exemptions, it may be necessary for such funds to provide for pass-through voting for their investors on matters submitted to a vote of Fund shareholders, or to provide for echo voting. Echo voting refers to the investing fund's determination to vote its shares in the Fund in the same percentage as all other shareholders of the Fund vote their shares. Shareholders availing themselves of this exemption should contact the Trust.

ITEM 18. PURCHASE, REDEMPTION AND PRICING OF SHARES.

PURCHASES

Beneficial interests in the Funds are issued solely in private placement transactions that do not involve a "public offering" within the meaning of Section 4(2) of the Securities Act. Investments in a Fund may only be made by common or commingled trust funds, investment companies, registered broker-dealers, investment banks, commercial banks, corporations, group trusts or similar organizations or entities that are "accredited investors" within the meaning of Regulation D under the Securities Act. See "Purchase of Securities Being Offered" in each Fund's Part A.

Investors in UBS Emerging Markets Equity Relationship Fund and UBS Emerging Markets Debt Relationship Fund are subject to a transaction charge equal to 0.75% and 0.50%, respectively, of the Fund's offering price on Fund share purchases. The transaction charges are paid to the Funds to defray the transaction costs associated with the purchase and sale of portfolio securities.

NET ASSET VALUE

The net asset value per share is calculated separately for each Fund. The net asset value per share of a Fund is computed by dividing the value of the assets of the Fund, less its liabilities, by the number of shares of the Fund outstanding.

Fund securities are valued and net asset value per share is determined for all Funds, with the exception of the UBS Prime Relationship Fund and the UBS International Equity Relationship Fund, as of the close of regular trading on the New York Stock Exchange ("NYSE"), which generally is 4:00 p.m. (Eastern time), on each day the NYSE is open for trading. Fund securities are valued and net asset value per share is determined for the UBS Prime Relationship Fund as of two hours prior to the close of the NYSE, which generally is 2:00 p.m. (Eastern time), on each day the NYSE is open for trading. The UBS International Equity Relationship Fund will calculate its net asset value as of 4:00 p.m., Eastern time on weekdays when the Fund is open for business. The NYSE is open for trading on every day except Saturdays, Sundays and the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day (day observed), Independence Day, Labor Day, Thanksgiving Day and Christmas Day and on the preceding Friday or subsequent Monday when any of these holidays falls on a Saturday or Sunday, respectively.

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Fund securities listed on a national or foreign securities exchange are valued on the basis of the last sale prior to the time net asset value is determined on the date the valuation is made. Securities traded in the over-the-counter market and listed on The Nasdaq Stock Market ("Nasdaq") normally are valued at the Nasdaq Official Closing Price ("NOCP'). Other portfolio securities which are traded in the over-the-counter market are valued at the last available bid price prior to the time net asset value is determined. Valuations of fixed income and equity securities may be obtained from a pricing service when such prices are believed to reflect the fair value of such securities. Use of a pricing service has been approved by the Board. Securities traded on securities exchanges are valued at the last sale price or, if there has been no sale that day, at the last reported bid price, using prices as of the close of trading on their respective exchanges. Price information on listed securities is generally taken from the closing price on the exchange where the security is primarily traded. Futures contracts and options thereon are valued at their daily quoted settlement price. Forward foreign currency contracts are valued daily at forward exchange rates and an unrealized gain or loss is recorded; the Fund realizes a gain or loss upon settlement of the contracts. Each Fund's obligations under a swap agreement will be accrued daily (offset by any amounts owing to the Fund) and any accrued but unpaid net amounts owed to a swap counterparty will be covered by the Fund's segregation of cash or liquid securities in accordance with Commission positions. For valuation purposes, foreign securities initially expressed in foreign currency values will be converted into U.S. dollar values using WM/Reuters closing spot rates as of 4:00 p.m. London time. Securities with a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value. Redeemable securities issued by open-end investment companies are valued using their respective net asset values for purchase orders placed at the close of the NYSE. Securities (including over-the-counter options) for which market quotations are not readily available and other assets are valued at their fair value as determined in good faith by or under the direction of the Board.

Because of time zone differences, foreign exchanges and securities markets will usually be closed prior to the time of the closing of the NYSE and values of foreign futures and options and foreign securities will be determined as of the earlier closing of such exchanges and securities markets. Events affecting the values of such foreign securities may occasionally occur, however, between the earlier closings of such exchanges and securities markets and the closing of the NYSE which will not be reflected in the computation of the net asset value of a

Fund. If an event materially affecting the value of such foreign securities occurs during such period, then such securities will be valued at fair value as determined in good faith by or under the direction of the Board, as described in the Prospectuses of the Funds.

Where a foreign securities market remains open at the time that the Funds value their portfolio securities, or closing prices of securities from that market may not be retrieved because of local time differences or other difficulties in obtaining such prices at that time, last sale prices in such market at a point in time most practicable to timely valuation of the Funds may be used.

The UBS Prime Relationship Fund utilizes the amortized cost valuation method of valuing portfolio instruments. Under the amortized cost method, assets are valued by constantly amortizing over the remaining life of an instrument the difference between the principal amount due at maturity and the cost of the instrument to the Fund. In order to value its investments at amortized cost, the Fund purchases only securities with a maturity of 397 calendar days or less and maintains a dollar weighted average portfolio maturity of 90 days or less. In addition, the Fund limits portfolio investments to securities that meet the quality and diversification requirements of Rule 2a-7 under the Investment Company Act.

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The Advisor will determine at least weekly the extent of any deviation of the net asset value, as determined on the basis of the amortized cost method, from net asset value as it would be determined on the basis of available market quotations. If a deviation of 1/2 of 1% or more occurs between the UBS Prime Relationship Fund's net asset value per share calculated by reference to market-based values and the Fund's $1.00 per share net asset value, or if there is any other deviation which may result in material dilution or other unfair results to Investors, the Board will take such actions as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, such dilution or unfair results. These actions may include redeeming shares in kind, selling portfolio instruments prior to their maturity to realize capital gains or losses, adjusting or withholding distributions, utilizing available market quotations to determine net asset value per share or adjusting the number of shares through a capital contribution.

REDEMPTIONS

Under normal circumstances, Investors may redeem their shares at any time without a fee except as noted below. The redemption price will be based upon the net asset value per share next determined after receipt of the redemption request in good order. Redemption requests for the UBS Emerging Markets Equity Relationship Fund are paid at net asset value less a transaction charge equal to 0.75% of the net asset value of the redeemed shares. The transaction charge is paid to the Fund to defray the transaction costs associated with the purchase and sale of portfolio securities. Except for the UBS Prime Relationship Fund, redemption requests received prior to the close of regular trading hours (generally 4:00 p.m. Eastern time) on the NYSE will be executed at the net asset value computed on the date of receipt. Redemption requests received after the close of regular trading hours will be executed at the next determined net asset value. For the UBS Prime Relationship Fund, redemption requests received two hours prior to the close of regular trading hours (generally 2:00 p.m. Eastern time) will be executed at the net asset value computed on the date of receipt. Redemption requests received after 2:00 p.m. will be executed at the next determined net asset value. The redemption price may be more or less than the Investor's cost, depending upon the net asset value per share at the time of redemption.

Payment for shares tendered for redemption is regularly made by check or wire within seven calendar days after tender in proper form, except that the Trust reserves the right to suspend the right of redemption, or to postpone the date of payment upon redemption beyond seven calendar days in certain circumstances, as disclosed in the Funds' Parts A. The Trust has also reserved the right, subject to certain restrictions, to redeem its shares "in kind" rather than in cash. See "Redemption or Repurchase of Shares" in the Funds' Parts A.

ITEM 19. TAX STATUS.

GENERAL

The following discussion summarizes certain anticipated material U.S. federal income tax consequences of investing in the Funds. The discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury Regulations thereunder, Internal Revenue Service ("IRS") positions and court decisions in effect as of the date of this Part B. All the authorities are subject to change by legislative or administrative action, possibly with retroactive effect. This summary does not address all tax considerations that may be relevant to prospective Investors or to certain types of Investors subject to special treatment under the U.S. federal income tax laws. The discussion does not constitute legal or tax advice. Furthermore, the tax consequences of investing in the Funds may vary depending

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on the particular Investor's status. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF INVESTING IN THE FUNDS.

CLASSIFICATION OF THE FUNDS

Each Fund is intended to be treated as a separate partnership for federal income tax purposes rather than as an association taxable as a corporation. The Funds will not be "regulated investment companies" for federal income tax purposes. Each Fund intends to monitor the number of its Investors so as not to be treated as a "publicly traded partnership" under certain safe harbors provided in Treasury Regulations.

TAXATION OF PARTNERSHIP OPERATIONS GENERALLY

As partnerships, the Funds will not be subject to U.S. federal income tax. Instead, each Investor in a Fund will be required to report separately on its own income tax return its distributive share of items of such Fund's income, gain, losses, deductions and credits. Each Investor will be required to report its distributive share of such items regardless of whether the Investor has received or will receive corresponding distributions of cash or property from a Fund. In general, cash distributions by a Fund to an Investor will represent a non-taxable return of capital up to the amount of such Investor's adjusted tax basis in its Fund shares.

INVESTMENT IN COMPLEX SECURITIES

The Funds may invest in complex securities. Such investments may be subject to numerous special tax rules. These rules could affect whether gains and losses recognized by a Fund are treated as ordinary income or capital gain and/or accelerate the recognition of income to a Fund or defer a Fund's ability to recognize losses. In turn, these rules may affect the amount, timing or character of the income, gain or loss which makes up the distributive share allocable to Investors.

CALCULATION OF INVESTOR'S "ADJUSTED BASIS" AND "AT RISK BASIS"

In general, each Investor's adjusted basis in its share in a Fund will equal its purchase price thereof, increased by the amount of the Investor's distributive share of items of income and gain of the Fund and reduced, but not below zero, by: (a) the amount of its share of Fund deductions and losses; (b) expenditures which are neither properly deductible nor properly chargeable to its capital account; and (c) the amount of any distributions received by such Investor.

CURRENT DISTRIBUTIONS BY THE FUNDS; REDEMPTIONS

CURRENT DISTRIBUTIONS. A current cash distribution by a Fund with respect to shares held by an Investor will result in gain to the distributee Investor only to the extent that the amount of cash distributed exceeds the Investor's adjusted basis in its Fund shares owned. A current distribution will reduce the distributee Investor's adjusted basis in its Fund shares, but not below zero. Gain recognized as a result of such distributions will be considered as gain from the sale or exchange of such Investor's shares in the Fund. Loss will not be recognized by an Investor as a result of a current distribution by the Fund.

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LIQUIDATION OF AN INVESTOR'S ENTIRE INTEREST IN A FUND. Generally, a distribution or series of distributions by a Fund to an Investor that results in termination of its entire interest in such Fund will result in gain to the distributee Investor only to the extent that money, if any, distributed exceeds the Investor's adjusted basis in its Fund shares. When only money and unrealized receivables are distributed, loss will be recognized to the extent that the Investor's adjusted basis in its Fund shares exceeds the amount of cash distributed and the basis to the Investor of any unrealized receivables distributed. Any gain or loss recognized as a result of such distributions will be considered as gain or loss from the sale or exchange of the distributee Investor's Fund shares and generally will be capital gain or loss.

TAX TREATMENT OF CAPITAL GAINS AND LOSSES

Amounts realized from the sale or exchange of assets of a Fund will generally be treated as amounts realized from the sale or exchange of capital assets. A net capital loss allocated to an Investor may be used to offset other capital gains. For corporate investors, present law taxes both long-term and short-term capital gains at the rates applicable to ordinary income. However, for Investors other than corporations, net capital gains from assets held for more than one year are taxed at a preferential rate of tax. Short-term capital gains are taxed at rates applicable to ordinary income. For a taxpayer other than a corporation, a capital loss also may be used to offset ordinary income up to $3,000 per year.

In general, for taxpayers other than corporations, the unused portion of such loss may be carried forward indefinitely, but not carried back.

TAX-EXEMPT INVESTORS

The Code imposes a tax on the "unrelated business taxable income" ("UBTI") of certain tax-exempt organizations. Income from certain types of investments made by the Funds which is allocated to tax-exempt Investors may be treated as UBTI subject to tax. In addition, if and to the extent that a Fund borrows in connection with the acquisition of any property, income from such debt-financed property will be subject to the tax on UBTI. While it is anticipated that the Advisor generally will attempt to make investments in a manner which does not give rise to the tax imposed on UBTI, the Advisor may make investments in assets the income from which gives rise to UBTI or may borrow in connection with the acquisition of property if the Advisor believes that the returns on such investments justify incurring, or the risk of incurring UBTI. The Funds anticipate that they will distribute annually to each such tax-exempt Investor after the end of the Funds' fiscal year, the information necessary for that Investor to determine the portion of its distributive share of each item of income, gain and deduction that is to be taken into account in the determination of UBTI.

FOREIGN INCOME TAXES

The Funds may pay or accrue foreign income taxes in connection with trading. Such amounts will be deemed to be received by Investors and paid to the foreign government. An Investor may (subject to certain limitations) elect each taxable year to treat its share of these foreign income taxes as a credit against its U.S. income tax liability or to deduct such amount from its U.S. taxable income. However, an Investor's ability to obtain a credit for such taxes depends on the particular circumstances applicable to that Investor, and it is possible that an Investor may get little or no foreign tax credit benefit with respect to its share of foreign taxes paid or accrued by the Funds.

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NON-U.S. INVESTORS

Non-U.S. Investors in a Fund will generally be subject to a 30% withholding tax (unless reduced by an applicable treaty) on their distributive share of U.S. source dividends and other fixed and determinable income that is not effectively connected with the conduct of a U.S. trade or business. Capital gains and certain "portfolio" interest are not subject to U.S. withholding tax. Non-U.S. Investors that are individuals may also be subject to U.S. estate taxes as a result of an investment in a Fund.

STATE AND LOCAL TAXATION

An Investor's distributive share of a Fund's taxable income or loss generally will have to be taken into account in determining the Investor's state and local income tax liability, if any, applicable in the jurisdiction in which such Investor is a resident. In addition, a state or other taxing jurisdiction in which an Investor is not a resident, but in which the Investor may be deemed to be engaged in business may impose a tax on that Investor with respect to its share of Fund income derived from that state or other taxing jurisdiction.

The Funds themselves may also be subject to state and/or local tax on some or all of their net income, depending on the nature and extent of a Fund's activities in the particular state or locality. Any such tax imposed on the Funds will be an expense paid out of the Funds' income and allocated among the Investors in accordance with the Declaration of Trust.

Prospective Investors should consult their own tax advisors concerning the state and local tax consequences of investing in a Fund.

THE FOREGOING ANALYSIS IS NOT INTENDED AS A SUBSTITUTE FOR CAREFUL INCOME TAX PLANNING. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE EFFECTS OF THIS INVESTMENT ON THEIR OWN TAX SITUATIONS.

ITEM 20. UNDERWRITERS.

Not applicable.

ITEM 21. CALCULATION OF PERFORMANCE DATA.

Not applicable.

ITEM 22. FINANCIAL STATEMENTS.

The Financial Statements and the Report of Independent Auditors thereon for the fiscal year ended December 31, 2004 (as filed with the Commission on March 4, 2005 (Accession Number 0001047469-05-005466)) contained in the Funds' Annual Report, dated December 31, 2004, are incorporated herein by reference.

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APPENDIX A

INVESTMENT PRACTICES

Set forth below is a discussion of various hedging and fixed income strategies that may be pursued by the Advisor on behalf of some or all of the Funds. The discussion herein is general in nature and describes hedging and fixed income strategies of the Funds in both U.S. and non-U.S. markets; certain of the Funds limit their investments to the United States. Not all Funds engage in some or all of the strategies discussed in this Appendix and the discussion below should therefore be read in conjunction with the applicable Parts A. The Funds will not be obligated to pursue any of these investment strategies and make no representation as to the availability of these techniques at this time or at any time in the future.

Certain Funds may buy and sell put and call options traded on U.S. or foreign exchanges or over-the-counter and may attempt to manage the overall risk of the portfolio investments through hedging strategies. The Funds may engage in certain options strategies involving securities, stock and fixed income indexes, futures and currencies and may enter into forward currency contracts in order to attempt to enhance income or to hedge the Funds' investments. The Funds also may use futures contracts, forward currency contracts, and non-deliverable forwards, and use options and futures contracts for hedging purposes or in other circumstances permitted by the Commodity Futures Trading Commission ("CFTC"). The foregoing instruments are sometimes referred to collectively as "Hedging Instruments" and certain special characteristics of and risks associated with using Hedging Instruments are discussed below. Hedging Instruments may also be used in an attempt to manage the Funds' average duration, foreign currency exposure and other risks of investment which can affect fluctuations in the Funds' net asset values.

In addition to the investment limitations of the Funds described herein, use of these instruments may be subject to applicable regulations of the Commission, the several options and futures exchanges upon which options and futures contracts are traded, and other regulatory authorities. In addition to the products, strategies and risks described herein, the Advisor may become aware of additional opportunities in connection with options, futures contracts, forward currency contracts and other hedging techniques. The Advisor may utilize these opportunities to the extent that they are consistent with the Funds' investment objectives and permitted by the Funds' investment limitations and applicable regulatory authorities.

Options and futures can be volatile investments and may not perform as expected. If the Advisor applies a hedge at an appropriate time or price trends are judged incorrectly, options, futures and similar strategies may lower the Fund's return. Options and futures traded on foreign exchanges generally are not regulated by U.S. authorities and may offer less liquidity and less protection to the Fund in the event of default by the other party to the contract. The Fund could also experience losses if the prices of its options or futures positions are poorly correlated with its other investments, or if it cannot close out its positions because of an illiquid secondary market. The loss from investing in futures transactions is potentially unlimited.

COVER FOR OPTIONS AND FUTURES STRATEGIES. The Funds generally will not use leverage in their options and futures strategies. In the case of a transaction entered into as a hedge, the Funds will hold securities, currencies or other options or futures positions whose values are expected to offset ("cover") obligations under the transaction. A Fund will not enter into an option or a futures strategy that exposes the Fund to an obligation to another party unless it owns (1) an offsetting ("covered") position in securities, currencies or other options or futures contracts or

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(2) cash or other liquid assets with a value sufficient at all times to cover its potential obligations. The Funds will comply with guidelines established by the Commission with respect to coverage of option and futures strategies by mutual funds and, if such guidelines so require, will segregate cash or other liquid assets in the amount prescribed. Securities, currencies or other options or futures positions used for cover and segregated securities cannot be sold or closed out while the option or futures strategy is outstanding, unless they are replaced with similar assets. As a result, there is a possibility that the use of cover or segregation involving a large percentage of the Funds' assets could impede fund management or the Funds' ability to meet current obligations.

OPTION INCOME AND HEDGING STRATEGIES. The Funds (other than the UBS Prime Relationship Fund) may purchase and write (sell) options traded on a U.S. or, where applicable, foreign exchange or over-the-counter.

These Funds may purchase call options on securities that the Advisor intends to include in the Funds' portfolio in order to fix the cost of a future purchase. A call option enables the purchaser, in return for the premium paid, to purchase securities from the writer of the option at an agreed price at any time during a period ending on an agreed date. A call option enables a purchaser to hedge against an increase in the price of securities it ultimately wishes to buy or to take advantage of a rise in a particular index. Call options also may be purchased as a means of enhancing returns by, for example, participating in an anticipated price increase of a security on a more limited risk basis than would be possible if the security itself were purchased. In the event of a decline in the price of the underlying security, use of this strategy would serve to limit the Funds' potential loss to the option premium paid; conversely, if the market price of the underlying security increases above the exercise price and a Fund either sells or exercises the option, any profit eventually realized will be reduced by the premium paid.

The Funds may purchase put options on securities in order to attempt to hedge against a decline in the market value of securities held in their portfolios or to enhance return. A put option would enable the Funds to sell the underlying security at a predetermined exercise price; thus, the potential for loss to the Funds below the exercise price would be limited to the option premium paid. If the market price of the underlying security were higher than the exercise price of the put option, any profit the Funds realize on the sale of the security would be reduced by the premium paid for the put option less any amount for which the put option may be sold.

The Funds may write covered call options on securities in which they may invest for hedging purposes or to increase income in the form of premiums received from the purchasers of the options. Because it can be expected that a call option will be exercised if the market value of the underlying security increases to a level greater than the exercise price, the Funds will generally write covered call options on securities when the Advisor believes that the premium received by the Funds, plus anticipated appreciation in the market price of the underlying security up to the exercise price of the option, will be greater than the total appreciation in the price of the security. The strategy may also be used to provide limited protection against a decrease in the market price of the security in an amount equal to the premium received for writing the call option less any transactional costs. Thus, in the event that the market price of the underlying security held by the Funds declines, the amount of such decline will be offset wholly or in part by the amount of the premium received by the Funds. If, however, there is an increase in the market price of the underlying security and the option is exercised, the Funds would be obligated to sell the security at less than its market value. The Funds would give up the ability to sell the portfolio securities used to cover the call option while the call option is outstanding. In addition, the Funds could lose the ability to participate in an increase in the

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value of such securities above the exercise price of the call option because such an increase would likely be offset by an increase in the cost of closing out the call option (or could be negated if the buyer chose to exercise the call option at an exercise price below the securities' current market value).

The UBS Absolute Return Bond Relationship Fund, UBS Emerging Markets Equity Completion Relationship Fund, UBS U.S. Small-Mid Cap Core Equity Relationship Fund, UBS U.S. Small-Mid Cap Growth Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund each may, from time to time, write a call option that is not covered as indicated above but where the Fund will maintain, with its custodian for the term of the option, cash or other liquid assets with a value sufficient at all times to cover its potential obligations. While such an option would be "covered" with sufficient collateral to satisfy Commission prohibitions on issuing senior securities, this type of strategy would expose the Funds to the risks of writing uncovered options. When writing uncovered call options, a Fund is subject to the risk of having to purchase the security subject to the option at a price higher than the exercise price of the option. As the price of a security could appreciate substantially, the Fund's loss could be significant.

IN THE CASE OF OVER-THE-COUNTER OPTIONS WRITTEN BY THE FUNDS, SUCH SECURITIES WOULD ALSO BE CONSIDERED ILLIQUID. SIMILARLY, ASSETS USED TO "COVER" OVER-THE-COUNTER OPTIONS WRITTEN BY THE FUNDS WILL BE TREATED AS ILLIQUID UNLESS THE OVER-THE-COUNTER OPTIONS ARE SOLD TO QUALIFIED DEALERS WHO AGREE THAT A FUND MAY REPURCHASE ANY OVER-THE-COUNTER OPTIONS IT WRITES FOR A MAXIMUM PRICE TO BE CALCULATED BY A FORMULA SET FORTH IN THE OPTION AGREEMENT. THE "COVER" FOR AN OVER-THE-COUNTER OPTION WRITTEN SUBJECT TO THIS PROCEDURE WOULD BE CONSIDERED ILLIQUID ONLY TO THE EXTENT THAT THE MAXIMUM REPURCHASE PRICE UNDER THE FORMULA EXCEEDS THE INTRINSIC VALUE OF THE OPTION.

The Funds may write put options. A put option gives the purchaser of the option the right to sell, and the writer (seller) the obligation to buy, the underlying security at the exercise price during the option period. So long as the obligation of the writer continues, the writer may be assigned an exercise notice by the purchaser of options requiring the writer to make payment of the exercise price against delivery of the underlying security or take delivery. The operation of put options in other respects, including their related risks and rewards, is substantially identical to that of call options. If the put option is not exercised, the Funds will realize income in the amount of the premium received. This technique could be used to enhance current return during periods when the Advisor expects that the price of the security will not fluctuate greatly. The risk in such a transaction would be that the market price of the underlying security would decline below the exercise price less the premium received, in which case the Funds would expect to suffer a loss.

The Funds may purchase put and call options and write put and covered call options on indices in much the same manner as the options discussed above, except that index options may serve as a hedge against overall fluctuations in the securities markets (or a market sector) rather than anticipated increases or decreases in the value of a particular security. An index assigns a value to the securities included in the index and fluctuates with changes in such values. An option on an index gives the holder the right, upon exercise, to receive an amount of cash if the closing level of the index upon which the option is based is greater than (in the case of a call) or lesser than (in the case of a put) the exercise price of the option. This amount of cash is equal to the difference between the closing price of the index and the exercise price of the option expressed in dollars times a specified multiple (the "multiplier"). The indices on which options

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are traded include both U.S. and non-U.S. markets. The effectiveness of hedging techniques using index options will depend on the extent to which price movements in the index selected correlate with price movements of the securities in which the Funds invest.

The Funds may purchase and write covered straddles on securities or indexes. A long straddle is a combination of a call and a put option purchased on the same security. The Funds would enter into a long straddle when the Advisor believes that it is likely that the price of the underlying security will be more volatile during the term of the options than the option pricing implies. A short straddle is a combination of a call and a put written on the same security. The Funds would enter into a short straddle when the Advisor believes that it is unlikely the price of the underlying security will be as volatile during the term of the options as the option pricing implies.

The writing of a call option on a futures contract constitutes a partial hedge against the declining price of the security or foreign currency which is deliverable upon exercise of the futures contract. If the futures price at the expiration of the option is below the exercise price, the Funds will retain the full amount of the option premium which provides a partial hedge against any decline that may have occurred in the value of a Fund's investment portfolio holdings. The writing of a put option on a futures contract constitutes a partial hedge against the increasing price of the security or foreign currency which is deliverable upon exercise of the futures contract. If the futures price at the expiration of the option is higher than the exercise price, the Funds will retain the full amount of the option premium which provides a partial hedge against any increase in the price of securities which the Funds intend to purchase.

Options on a stock index futures contract give the holder the right to receive cash. Upon exercise of the option, the delivery of the futures position by the writer of the option to the holder of the option will be accompanied by delivery of the accumulated balance in the writer's futures margin account which represents the amount by which the market price of the futures contract, at exercise, exceeds, in the case of a call, or is less than, in the case of a put, the exercise price of the futures contract. If an option is exercised on the last trading day prior to the expiration date of the option, the settlement will be made entirely in cash equal to the difference between the exercise price of the option and the closing price of the futures contract on the expiration date. If a put or call option which a Fund has written is exercised, the Fund may incur a loss which will be reduced by the amount of the premium it received. Depending on the degree of correlation between changes in the value of its portfolio securities and changes in the value of its options positions, a Fund's losses from existing options on futures may, to some extent, be reduced or increased by changes in the value of portfolio securities. For example, a Fund will purchase a put option on an interest rate futures contract to hedge the Fund's investment portfolio against the risk of rising interest rates.

Furthermore, with respect to options on futures contracts, a Fund may seek to close out an option position by writing or buying an offsetting position covering the same securities or contracts and have the same exercise price and expiration date. The ability to establish and close out positions on options will be subject to the maintenance of a liquid secondary market, which cannot be assured.

SPECIAL CHARACTERISTICS AND RISKS OF OPTIONS TRADING. A Fund may effectively terminate its right or obligation under an option by entering into a closing transaction. If a Fund wishes to terminate its obligation to purchase or sell securities under a put or call option it has written, the Fund may purchase a put or call option of the same series (i.e., an option identical in its terms to the option previously written); this is known as a closing purchase transaction. Conversely, in

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order to terminate its right to purchase or sell specified securities or currencies under a call or put option it has purchased, a Fund may write an option of the same series as the option held; this is known as a closing sale transaction. Closing transactions essentially permit the Funds to realize profits or limit losses on options positions prior to the exercise or expiration of the option. Whether a profit or loss is realized from a closing transaction depends on the price movement of the underlying security or currency and the market value of the option.

In considering the use of options to enhance income or to hedge the Funds' investments, particular note should be taken of the following:

(1) The value of an option position will reflect, among other things, the current market price of the underlying security, or index, the time remaining until expiration, the relationship of the exercise price, the term structure of interest rates, estimated price volatility of the underlying security, or index and general market conditions. For this reason, the successful use of options as a hedging strategy depends upon the Advisor's ability to forecast the direction of price fluctuations in the underlying securities or, in the case of index options, fluctuations in the market sector represented by the selected index.

(2) Options normally have expiration dates of up to 90 days. The exercise price of the options may be below, equal to or above the current market value of the underlying securities, index or currencies. Purchased options that expire unexercised have no value. Unless an option purchased by the Funds is exercised or unless a closing transaction is effected with respect to that position, the Funds will realize a loss in the amount of the premium paid and any transaction costs.

(3) A position in an exchange-listed option may be closed out only on an exchange that provides a secondary market for identical options. Although the Funds intend to purchase or write only those options for which there appears to be an active secondary market, there is no assurance that a liquid secondary market will exist for any particular option at any specific time. Closing transactions may be effected with respect to options traded in the over-the-counter markets (currently the primary markets for options on debt securities) only by negotiating directly with the other party to the option contract, or in a secondary market for the option if such a market exists. Although the Funds will enter into over-the-counter options only with dealers that are expected to be capable of entering into closing transactions with the Funds, there can be no assurance that the Funds will be able to liquidate an over-the-counter option at a favorable price at any time prior to expiration. In the event of insolvency of the counter-party, the Funds may be unable to liquidate an over-the-counter option. Accordingly, it may not be possible to effect closing transactions with respect to certain options, with the result that the Funds would have to exercise those options which they have purchased in order to realize any profit. With respect to options written by the Funds, the inability to enter into a closing transaction may result in material losses to the Funds. For example, because the Funds must maintain a covered position with respect to any call option they write on a security, index, currency or future, the Funds may not sell the underlying security or currency (or invest any cash, government securities or short-term debt securities used to cover an index option) during the period they are obligated under the option. This requirement may impair the Funds' ability to sell the security or make an investment at a time when such a sale or investment might be advantageous.

(4) Index options are typically settled in cash. If a Fund writes a call option on an index, the Fund will not know in advance the difference, if any, between the closing value of the index on the exercise date and the exercise price of the call option itself and thus will not know

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the amount of cash payable upon settlement. In addition, a holder of an index option who exercises it before the closing index value for that day is available runs the risk that the level of the underlying index may subsequently change.

(5) Index prices may be distorted if trading of a substantial number of securities included in the index is interrupted causing the trading of options on that index to be halted. If a trading halt occurred, a Fund would not be able to close out options which it had purchased and the Fund may incur losses if the underlying index moved adversely before trading resumed. If a trading halt occurred and restrictions prohibiting the exercise of options were imposed through the close of trading on the last day before expiration, exercises on that day would be settled on the basis of a closing index value that may not reflect current price information for securities representing a substantial portion of the value of the index.

(6) If a Fund holds an index option and exercises it before final determination of the closing index value for that day, it runs the risk that the level of the underlying index may change before closing. If such a change causes the exercised option to fall "out-of-the-money," the Fund will be required to pay the difference between the closing index value and the exercise price of the option (times the applicable multiplier) to the assigned writer. Although a Fund may be able to minimize this risk by withholding exercise instructions until just before the daily cutoff time or by selling rather than exercising the option when the index level is close to the exercise price, it may not be possible to eliminate this risk entirely because the cutoff times for index options may be earlier than those fixed for other types of options and may occur before definitive closing index values are announced.

(7) The Funds' (with the exception of the UBS Prime Relationship Fund) activities in the options markets may result in higher fund turnover rates and additional brokerage costs; however, the Funds may also save on commissions by using options as a hedge rather than buying or selling individual securities in anticipation or as a result of market movements.

INVESTMENT LIMITATIONS ON OPTIONS TRANSACTIONS. The ability of the Funds to engage in options transactions is subject to certain limitations. A Fund may purchase call options to the extent that premiums paid by the Fund do not aggregate more than 20% of such Fund's total assets. Each Fund, other than UBS Absolute Return Bond Relationship Fund, UBS Emerging Markets Equity Completion Relationship Fund, UBS U.S. Small-Mid Cap Core Equity Relationship Fund, UBS U.S. Small-Mid Cap Growth Relationship Fund and UBS U.S. Equity Long/Short Relationship Fund, Fund will write call options only on a covered basis, which means that such Fund will own the underlying security subject to a call option at all times during the option period. The Funds may only purchase put options to the extent that the premiums on all outstanding put options do not exceed 20% of each Fund's total assets. With regard to the writing of call and put options, the Funds will limit the aggregate value of the obligations underlying such call and put options to 40% of each Fund's total net assets. A Fund will at all times during which it holds a put option, own the security underlying the option. Each of the Funds will invest in over-the-counter options only to the extent consistent with the 15% of the Fund's net assets limit on investments in illiquid securities.

FORWARD FOREIGN CURRENCY CONTRACTS. The Funds (except the UBS Prime Relationship Fund, UBS U.S. Securitized Mortgage Relationship Fund and UBS Opportunistic High Yield Relationship Fund) may purchase or sell currencies and/or engage in forward foreign currency transactions in order to expedite settlement of portfolio transactions and to manage currency risk. A Fund may enter into forward contracts for hedging purposes as well as for non-hedging purposes. For hedging purposes, the Fund may enter into contracts to deliver or receive

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foreign currency it will receive from or require for its normal investment activities. It may also use contracts in a manner intended to protect foreign currency-denominated securities from declines in value due to unfavorable exchange rate movements. The Fund may also enter into contracts with the intent of changing the relative exposure of the Fund's portfolio of securities to different currencies to take advantage of anticipated changes in exchange rates.

The Funds may conduct foreign currency exchange transactions on a spot (i.e., cash) basis at the spot rate prevailing in the foreign currency exchange market or through entering into forward contracts. A Fund may convert currency on a spot basis from time to time which will involve costs to the Fund. A forward foreign currency contract involves an obligation to purchase or sell a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. These contracts are traded in the interbank market conducted directly between currency traders, usually large commercial banks, and their customers. A forward contract generally has no deposit requirement, and no commissions are generally charged at any stage for trades. The Funds will account for these contracts by marking-to-market each day at current forward values.

Although the contracts are not presently regulated by the CFTC, the CFTC may in the future assert authority to regulate these contracts. In such event, the Funds' ability to utilize forward foreign currency exchange contracts may be restricted. The Funds will comply with guidelines established by the Commission with respect to coverage of forward contracts entered into by mutual funds and, if such guidelines so require, will segregate cash or other liquid assets in the amount prescribed. Under normal circumstances, consideration of the prospect for currency parities will be incorporated into the longer term investment decisions made with regard to overall diversification strategies. The Advisor, however, believes that it is important to have the flexibility to enter into such forward contracts when it determines that the best interests of the Funds will be served.

At the maturity of a forward contract, the Funds may either accept or make delivery of the currency specified in the contract or, at or prior to maturity, enter into a closing purchase transaction involving the purchase or sale of an offsetting contract. Closing purchase transactions with respect to forward contracts are usually effected with the currency trader who is a party to the original forward contract.

At or before the maturity date of a forward contract requiring the Funds to sell a currency, the Funds may either sell the portfolio security and use the sale proceeds to make delivery of the currency or retain the security and offset their contractual obligation to deliver the currency by purchasing a second contract pursuant to which the Funds will obtain, on the same maturity date, the same amount of the currency that they are obligated to deliver. Similarly, a Fund may close out a forward contract requiring it to purchase a specified currency by entering into a second contract entitling it to sell the same amount of the same currency on the maturity date of the first contract. The Funds would realize a gain or loss as a result of entering into such an offsetting forward currency contract under either circumstance to the extent the exchange rate or rates between the currencies involved moved between the execution dates of the first contract and the offsetting contract.

The cost to the Funds of engaging in forward currency contracts will vary with factors such as the currencies involved, the length of the contract period and the market conditions then prevailing. Because forward currency contracts are usually entered into on a principal basis, no fees or commissions are involved. The use of forward currency contracts will not eliminate

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fluctuations in the prices of the underlying securities a Fund owns or intends to acquire, but it will fix a rate of exchange in advance. In addition, although forward currency contracts limit the risk of loss due to a decline in the value of the hedged currencies, at the same time they limit any potential gain that might result should the value of the currencies increase.

NON-DELIVERABLE FORWARDS. The Funds may, from time to time, engage in non-deliverable forward transactions to manage currency risk or to gain exposure to a currency without purchasing securities denominated in that currency. A non-deliverable forward is a transaction that represents an agreement between a Fund and a counterparty (usually a commercial bank) to buy or sell a specified (notional) amount of a particular currency at an agreed upon foreign exchange rate on an agreed upon future date. Unlike other currency transactions, there is no physical delivery of the currency on the settlement of a non-deliverable forward transaction. Rather, the Fund and the counterparty agree to net the settlement by making a payment in U.S. dollars or another fully convertible currency that represents any differential between the foreign exchange rate agreed upon at the inception of the non-deliverable forward agreement and the actual exchange rate on the agreed upon future date. Thus, the actual gain or loss of a given non-deliverable forward transaction is calculated by multiplying the transaction's notional amount by the difference between the agreed upon forward exchange rate and the actual exchange rate when the transaction is completed.

When a Fund enters into a non-deliverable forward transaction, the Fund's custodian will place assets in a segregated account ("Segregated Assets") of the Fund in an amount not less than the value of the Fund's total assets committed to the consummation of such non-deliverable forward transaction. If the additional Segregated Assets placed in the segregated account decline in value or the amount of the Fund's commitment increases because of changes in currency rates, additional cash or securities will be placed in the account on a daily basis so that the value of the account will equal the amount of the Fund's commitments under the non-deliverable forward agreement.

Since a Fund generally may only close out a non-deliverable forward transaction with the particular counterparty, there is a risk that the counterparty will default on its obligation under the agreement. If the counterparty defaults, a Fund will have contractual remedies pursuant to the agreement related to the transaction, but there is no assurance that contract counterparties will be able to meet their obligations pursuant to such agreements or that, in the event of a default, a Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed or prevented from obtaining payments owed to it pursuant to non-deliverable forward transactions.

In addition, where the currency exchange rates that are the subject of a given non-deliverable forward transaction do not move in the direction or to the extent anticipated, a Fund could sustain losses on the non-deliverable forward transaction. A Fund's investment in a particular non-deliverable forward transaction will be affected favorably or unfavorably by factors that affect the subject currencies, including economic, political and legal developments that impact the applicable countries, as well as exchange control regulations of the applicable countries. These risks are heightened when a non-deliverable forward transaction involves currencies of emerging market countries because such currencies can be volatile and there is a greater risk that such currencies will be devalued against the U.S. dollar or other currencies.

FUTURES CONTRACTS. Each Fund, other than the UBS Prime Relationship Fund, may enter into contracts for the purchase or sale for future delivery of securities, indices and foreign currencies. The purchase of a futures contract by the Fund represents the acquisition of a

contractual right to obtain delivery of the securities or foreign currency called for by the contract at a specified price on a specified future date. When a futures contract is sold, the Fund incurs a contractual obligation to deliver the securities or foreign currency underlying the contract at a specified price on a specified future date. While futures contracts provide for the delivery of securities, deliveries usually do not occur. Futures contracts are generally terminated by entering into offsetting transactions.

When a Fund enters into a futures transaction, it must deliver to the futures commission merchant selected by the Fund an amount referred to as "initial margin." This amount is maintained by the futures commission merchant in a segregated account. Thereafter, a "variation margin" may be paid by the Fund to, or drawn by the Fund from, such account in accordance with controls set for such accounts, depending upon changes in the price of the underlying securities subject to the futures contract.

The Funds may enter into such futures contracts to protect against the adverse affects of fluctuations in security prices, interest rates or foreign exchange rates without actually buying or selling the securities or foreign currency. For example, if interest rates are expected to increase, a Fund might enter into futures contracts for the sale of debt securities. Such a sale would have much the same effect as selling an equivalent value of the debt securities owned by the Funds. If interest rates did increase, the value of the debt securities in the portfolio would decline, but the value of the futures contracts to the Funds would increase at approximately the same rate, thereby keeping the net asset value of a Fund from declining as much as it otherwise would have. Similarly, when it is expected that interest rates may decline, futures contracts may be purchased to hedge in anticipation of subsequent purchases of securities at higher prices. Since the fluctuations in the value of futures contracts should be similar to those of debt securities, the Funds could take advantage of the anticipated rise in value of debt securities without actually buying them until the market had stabilized. At that time, the futures contracts could be liquidated and the Funds could then buy debt securities on the cash market. The Funds may also enter into futures contracts as a low cost method for gaining or reducing exposure to a particular currency or securities market without directly investing in those currencies or securities.

A stock index futures contract obligates the seller to deliver (and the purchaser to take) an amount of cash equal to a specific dollar amount times the difference between the value of a specific stock index at the close of the last trading day of the contract and the price at which the agreement was made. Open futures contracts are valued on a daily basis and a Fund may be obligated to provide or receive cash reflecting any decline or increase in the contract's value. No physical delivery of the underlying stocks in the index is made in the future.

To the extent that market prices move in an unexpected direction, the Funds may not achieve the anticipated benefits of futures contracts or may realize a loss. For example, if a Fund is hedged against the possibility of an increase in interest rates which would adversely affect the price of securities held in its portfolio and interest rates decrease instead, such Fund would lose part or all of the benefit of the increased value which it has because it would have offsetting losses in its futures position. In addition, in such situations, if the Fund had insufficient cash, it may be required to sell securities from its portfolio to meet daily variation margin requirements. Such sales of securities may, but will not necessarily, be at increased prices which reflect the rising market. A Fund may be required to sell securities at a time when it may be disadvantageous to do so.

In addition, when a Fund engages in futures transactions, to the extent required by the Commission, it will segregate assets in accordance with Commission positions to cover its obligations with respect to such contracts, which assets will consist of cash or other liquid assets from its portfolio in an amount equal to the difference between the fluctuating market value of such futures contracts and the aggregate value of the initial and variation margin maintained by the Fund with respect to such futures contracts.

A Fund will enter into futures transactions on domestic exchanges and to the extent such transactions have been approved by the CFTC, on foreign exchanges.

SWAPS. (All Funds, except for UBS U.S. Large Cap Equity Relationship Fund, UBS Large-Cap Select Equity Relationship Fund, UBS U.S. Intermediate Cap Equity Relationship Fund, UBS U.S. Large-Cap Value Equity Relationship Fund, and the UBS Prime Relationship Fund.) The Funds may engage in swaps, including but not limited to interest rate, currency, and equity swaps and the purchase or sale of related caps, floors and collars and other derivative instruments. To the extent that a Fund cannot dispose of a swap in the ordinary course of business within seven days at approximately the value at which the Fund has valued the swap, it will treat the swap as illiquid and subject to its overall limit on illiquid investments of 15% of net assets. The Funds expect to enter into these transactions primarily to preserve a return or spread on a particular investment or portion of their portfolios, to protect against currency fluctuations, as a technique for managing portfolio duration (i.e., the price sensitivity to changes in interest rates) or to protect against any increase in the price of securities the Funds anticipate purchasing at a later date, or to gain exposure to certain markets.

Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to receive or pay interest (e.g., an exchange of fixed rate payments for floating rate payments) with respect to a notional amount of principal. Currency swaps involve the exchange of cash flows on a notional amount based on changes in the values of referenced currencies.

The purchase of an interest rate cap entitles the purchaser to receive payments on a notional principal amount from the party selling the cap to the extent that a specified index exceeds a predetermined interest rate or amount. The purchase of an interest rate floor entitles the purchaser to receive payments on a notional principal amount from the party selling the floor to the extent that a specified index falls below a predetermined interest rate or amount. A collar is a combination of a cap and a floor that preserves a certain return within a predetermined range of interest rates or values.

The use of swaps involves investment techniques and risks different from those associated with ordinary portfolio security transactions. If the Advisor is incorrect in its forecasts of market values, interest rates or other applicable factors, the investment performance of a Fund will be less favorable than it would have been if this investment technique were not used. Swaps do not involve the delivery of securities or other underlying assets or principal. Thus, if the other party to a swap defaults, a Fund's risk of loss consists of the net amount of payments that the Fund is contractually entitled to receive. For federal income tax purposes, any payment received or due under a notional principal contract must be accounted for using the methodology the appropriate Treasury regulations prescribed.

The equity swaps in which a Fund may invest involve agreements with a counterparty. The return to the Fund on any equity swap contract will be the total return on the notional amount of the contract as if it were invested in the stocks comprising the contract index in exchange for an

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interest component based on the notional amount of the agreement. The Fund will only enter into an equity swap contract on a net basis, i.e., the two parties' obligations are netted out, with the Fund paying or receiving, as the case may be, only the net amount of the payments. Payments under the equity swap contracts may be made at the conclusion of the contract or periodically during its term.

If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that a swap contract counterparty will be able to meet its obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. However, the amount at risk is only the net unrealized gain, if any, on the swap, not the entire notional amount. The Advisor will closely monitor, subject to the oversight of the Board, the creditworthiness of swap counterparties in order to minimize the risk of swaps.

The Advisor and the Trust do not believe that a Fund's obligations under swap contracts are senior securities and, accordingly, a Fund will not treat them as being subject to its borrowing or senior securities restrictions. However, the net amount of the excess, if any, of the Fund's obligations over its entitlements with respect to each swap contract will be accrued on a daily basis and an amount of cash or other liquid assets having an aggregate market value at least equal to the accrued excess will be segregated in accordance with Commission positions.

The UBS Emerging Markets Debt Relationship Fund and UBS Absolute Return Bond Relationship Fund may also enter into credit default swap agreements. The "buyer" in a credit default contract typically is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no credit event with respect to any underlying reference obligation has occurred. If a credit event occurs, the seller typically must pay the buyer the "par value" (full notional value) of the reference obligation in exchange for the reference obligation. A Fund may either be the buyer or the seller in the transaction. If a Fund is a buyer and no credit event occurs, the Fund may lose its investment and recover nothing. However, if a credit event occurs, the buyer typically receives full notional value for a reference obligation that may have little or no value. As a seller, a Fund typically receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided a credit event does not occur. If a credit event occurs, the seller typically must pay the buyer the full notional amount of the reference obligation. Credit default swaps may involve more risk than if a Fund had invested in the reference obligation directly.

APPENDIX B

CORPORATE DEBT RATINGS

MOODY'S INVESTORS SERVICE, INC. DESCRIBES CLASSIFICATIONS OF CORPORATE BONDS AS FOLLOWS:

Aaa Bonds which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt-edged." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

Aa Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group, they comprise what are generally known as high-grade bonds. They are rated lower than the best bonds because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than in Aaa securities.

A Bonds which are rated A possess many favorable investment attributes and are to be considered as upper medium-grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment sometime in the future.

Baa Bonds which are rated Baa are considered as medium-grade obligations, (i.e., they are neither highly protected nor poorly secured). Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba Bonds which are rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate and thereby not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

B Bonds which are rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

Caa Bonds which are rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.

Ca Bonds which are rated Ca represent obligations which are speculative in a high degree. Such issues are often in default or have other marked shortcomings.

C Bonds which are rated C are the lowest rated class of bonds and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

NOTE: Moody's may apply numerical modifiers, 1, 2 and 3 in each generic rating classification from Aa through B in its corporate bond rating system. The modifier 1 indicates that the security ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

STANDARD & POOR'S RATINGS GROUP DESCRIBES CLASSIFICATIONS OF CORPORATE BONDS AS FOLLOWS:

AAA This is the highest rating assigned by Standard & Poor's Ratings Group to a debt obligation and indicates an extremely strong capacity to pay principal and interest.

AA   Bonds rated AA also qualify as high-quality debt obligations. Capacity to pay principal and interest is very strong and in the majority of instances, they differ from the AAA issues only in small degree.

A   Bonds rated A have a strong capacity to pay principal and interest, although they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.

BBB Bonds rated BBB are regarded as having an adequate capacity to pay principal and interest. Whereas they normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay principal and interest for bonds in this category than for bonds in the A category.

BB   Debt rated BB has less near-term vulnerability to default than other speculative grade debt. However, it faces major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lend to inadequate capacity to meet timely interest and principal payments.

B   Debt rated B has a greater vulnerability to default but presently has the capacity to meet interest payments and principal repayments. Adverse business, financial or economic conditions would likely impair capacity or willingness to pay interest and repay principal.

CCC Debt rated CCC has a current identifiable vulnerability to default, and is dependent upon favorable business, financial and economic conditions to meet timely payments of interest and repayment of principal. In the event of adverse business, financial or economic conditions, it is not likely to have the capacity to pay interest or repay principal.

CC   The rating CC is typically applied to debt subordinated to senior debt which is assigned an actual or implied CCC rating.

C   The rating C is typically applied to debt subordinated to senior debt which is assigned an actual or implied CCC rating.

CI   The rating CI is reserved for income bonds on which no interest is being paid.

D   Debt rated D is in default, or is expected to default upon maturity or payment date.

Plus (+) or minus (-): The ratings from AA to CCC may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

UBS RELATIONSHIP FUNDS

PART C
OTHER INFORMATION

ITEM 23. EXHIBITS.

(a) Articles of Incorporation.

(1) Amended and Restated Agreement and Declaration of Trust dated August 15, 1994, as amended and restated on May 20, 1996 and April 23, 2003 (the "Declaration")./11/

(a) Amended Exhibit A as of March 8, 2005 to the Amended and Restated Declaration of Trust, reflecting the addition of (i) the UBS Absolute Return Bond Relationship Fund; (ii) the UBS Emerging Markets Equity Completion Relationship Fund; (iii) the UBS U.S. Small-Mid Cap Core Relationship Fund; (iv) the UBS U.S. Small-Mid Cap Growth Relationship Fund; and (v) the UBS U.S. Equity Long/Short Relationship Fund, is electronically filed herewith as Exhibit No. EX-99.a.1.a.

(2) Certificate of Trust as filed with the Secretary of State of the State of Delaware on August 16, 1994./2/

(a) Amendment to Certificate of Trust dated April 21, 1995./2/

(b) Amendment to the Certificate of Trust effective April 8, 2002./8/

(b) By-laws.

(1) By-Laws dated August 22, 1994./1/

(a) Certificate of Vice President and Assistant Secretary dated July 1, 2002 amending the By-Laws./9/

(b) Amendment effective as of April 25, 2002 to the Trust's By-Laws./10/

(c) Instruments Defining Rights of Security Holders.

The rights of security holders of the Trust are further defined in the following sections of the Trust's By-laws and Declaration:

a. By-laws

See Article I - "Meetings of Holders Article VI, "Interest".

b. Declaration of Trust

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See Article III - "Powers of Trustees"
See Article V - "Limitations of Liability"
See Article VI - "Units in the Trust"
See Article IX - "Holders"
See Article VIII - "Determination of Book Capital Account Balance, Net Income and Distributions".

(d) Investment Advisory Contracts.

(1) Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. on behalf of the Brinson Global Securities Fund, Brinson Short-Term Fund, Brinson Post-Venture Fund, Brinson High Yield Fund, Brinson Emerging Markets Equity Fund and Brinson Emerging Markets Debt Fund./1/

(a) Amendment No. 1 dated June 26, 1997 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the addition of the Brinson U.S. Equity Fund, Brinson U.S. Large Capitalization Equity Fund, Brinson U.S. Intermediate Capitalization Equity Fund, Brinson EXDEX(R) Fund, Brinson Non-U.S. Equity Fund, Brinson Bond Plus Fund, Brinson U.S. Bond Fund and Brinson U.S. Short/Intermediate Fixed Income Fund./2/

(b) Amendment No. 2 dated January 27, 1998 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the addition of the Brinson U.S. Cash Management Prime Fund and Brinson Global Equity Fund./2/

(c) Amendment No. 3 dated June 1, 1998 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the addition of the Brinson U.S. Large Capitalization Value Equity Fund and the Brinson Global Bond Fund and the elimination of the Brinson Short-Term Fund and the Brinson Global Equity Fund./2/

(d) Amendment No. 4 dated June 1, 1998 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the addition of the Brinson Short-Term Fund./2/

(e) Amendment No. 5 dated February 28, 2000 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the addition of the (i) Brinson U.S. Treasury Inflation Protected Securities Fund, (ii) Brinson Defensive High Yield Fund and (iii) Brinson Limited

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Duration Fund; (iv) the elimination of the Brinson EXDEX(R) Fund; (v) the name change of the Brinson Post-Venture Fund to the Brinson U.S. Small Capitalization Equity Fund; and (vi) the name change of the Brinson U.S. Large Capitalization Value Equity Fund to the Brinson U.S. Value Equity Fund./4/

(f) Amendment No. 6 dated October 30, 2000 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the name change of the Brinson Global (Ex-U.S.) Equity Fund to the Brinson International Equity Fund./5/

(g) Form of Amendment No. 7 dated October 30, 2000 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting the deletion of the Brinson High Yield Fund and the Brinson Defensive High Yield Fund./5/

(h) Amendment No. 8 dated December 13, 2001 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and Brinson Partners, Inc. reflecting (i) the name change of the Brinson Limited Duration Fund to the Brinson Enhanced Yield Fund and (ii) the name change of the Brinson U.S. Short/Intermediate Fixed Income Fund to the Brinson Short Duration Fund./8/

(i) Form of Amendment No. 9 dated April 8, 2002 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and UBS Global Asset Management (Americas) Inc. (formerly known as Brinson Partners, Inc.) reflecting the name change of (i) the Brinson Global Securities Fund to the UBS Global Securities Relationship Fund, (ii) the Brinson U.S. Small Capitalization Equity Fund to the UBS U.S. Small Cap Equity Relationship Fund, (iii) the Brinson Emerging Markets Equity Fund to the UBS Emerging Markets Equity Relationship Fund, (iv) the Brinson Emerging Markets Debt Fund to the UBS Emerging Markets Debt Relationship Fund, (v) the Brinson U.S. Equity Fund to the UBS U.S. Equity Relationship Fund, (vi) the Brinson U.S. Cash Management Prime Fund to the UBS U.S. Cash Management Prime Relationship Fund, (vii) the Brinson U.S. Value Equity Fund to the UBS U.S. Value Equity Relationship Fund, (viii) the Brinson International Equity Fund to the UBS International Equity Relationship Fund, (ix) the Brinson Short-Term Fund to the UBS Short-Term Relationship Fund, (x) the Brinson U.S. Large Capitalization Equity Fund to the UBS U.S. Large Cap Equity Relationship Fund, (xi) the Brinson U.S. Bond Fund to the UBS U.S. Bond Relationship Fund, (xii) the Brinson Global Bond Fund

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to the UBS Global Bond Relationship Fund, (xiii) the Brinson U.S. Intermediate Capitalization Equity Fund to the UBS U.S. Intermediate Cap Equity Relationship Fund, (xiv) the Brinson Bond Plus Fund to the UBS U.S. Core Plus Relationship Fund, (xv) the Brinson Short Duration Fund to the UBS Short Duration Relationship Fund, (xvi) the Brinson Enhanced Yield Fund to the UBS Enhanced Yield Relationship Fund, (xvii) the Brinson U.S. Treasury Inflation Protected Securities Fund to the UBS U.S. Treasury Inflation Protected Securities Relationship Fund./8/

(j) Form of Amendment No. 10 to Schedule A of the Investment Advisory Agreement dated April 26, 1995 between the Registrant and UBS Global Asset Management (Americas) Inc. (formerly known as Brinson Partners, Inc.) reflecting the name change of the UBS U.S. Equity Relationship Fund to the UBS U.S. Large Cap Equity Relationship Fund./12/

(2) Investment Advisory Agreement dated October 30, 2000 between Registrant and Brinson Partners, Inc. on behalf of the Brinson High Yield Fund and the Brinson Defensive High Yield Fund./5/

(a) Amendment No. 1 dated May 21, 2001 to Schedule A of the Investment Advisory Agreement dated October 30, 2000 between the Registrant and Brinson Partners, Inc. reflecting the addition of the Brinson U.S. Securitized Mortgage Fund./8/

(b) Amendment No. 2 dated August 28, 2001 to Schedule A of the Investment Advisory Agreement dated October 30, 2000 between the Registrant and Brinson Partners, Inc. reflecting the addition of the DSI Enhanced S&P 500 Fund./8/

(c) Form of Amendment No. 3 dated April 8, 2002 to Schedule A of the Investment Advisory Agreement dated October 30, 2000 between the Registrant and UBS Global Asset Management (Americas) Inc. (formerly known as Brinson Partners, Inc.) reflecting the name change of (i) the Brinson High Yield Fund to the UBS High Yield Relationship Fund, (ii) the Brinson Defensive High Yield Fund to the UBS Defensive High Yield Relationship Fund, (iii) the Brinson Securitized Mortgage Fund to the UBS U.S. Securitized Mortgage Relationship Fund, and (iv) DSI Enhanced S&P 500 Fund to the DSI Enhanced S&P 500 Relationship Fund./8/

(d) Form of Amendment No. 4 to Schedule A of the Investment Advisory Agreement dated October 30, 2000 between the Registrant and UBS Global Asset Management (Americas) Inc.

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(formerly known as Brinson Partners, Inc.) reflecting the elimination of the DSI Enhanced S&P 500 Relationship Fund./12/

(3) Form of Investment Advisory Agreement, dated July 1, 2002, between the Registrant and UBS Global Asset Management (Americas) Inc. on behalf of UBS Global Securities Relationship Fund, UBS Global Bond Relationship Fund, UBS U.S. Large Cap Equity Relationship Fund, UBS U.S. Intermediate Cap Relationship Fund, UBS U.S. Value Equity Relationship Fund, UBS U.S. Small Cap Equity Relationship Fund, UBS Emerging Markets Equity Relationship Fund, UBS U.S. Core Plus Relationship Fund, UBS U.S. Bond Relationship Fund, UBS Short Duration Relationship Fund, UBS Enhanced Yield Relationship Fund, UBS U.S. Treasury Inflation Protected Securities Relationship Fund, UBS Short-Term Relationship Fund, UBS Emerging Markets Debt Relationship Fund, UBS Opportunistic Emerging Markets Debt Relationship Fund, and UBS Opportunistic High Yield Relationship Fund./9/

(a) Amendment No. 1 dated August 19, 2002 to Schedule A of the Investment Advisory Agreement dated July 1, 2002 between the Registrant and UBS Global Asset Management (Americas) Inc. reflecting the name change of the UBS Global Bond Relationship Fund to the UBS Global Aggregate Bond Relationship Fund./10/

(b) Form of Amendment No. 2 to Schedule A of the Investment Advisory Agreement dated July 1, 2002 between the Registrant and UBS Global Asset Management (Americas) Inc. reflecting the addition of the UBS Corporate Bond Relationship Fund./11/

(c) Form of Amendment No. 3 to Schedule A to the Investment Advisory Agreement dated July 1, 2002 between the Registrant and UBS Global Asset Management (Americas) Inc. reflecting the addition of the UBS All Country World Ex US Equity Relationship Fund and the redesignation of (i) the UBS U.S. Large Cap Equity Relationship Fund to the UBS Large-Cap Select Equity Relationship Fund; (ii) the UBS U.S. Small Cap Equity Relationship Fund to the UBS Small-Cap Equity Relationship Fund; and (iii) the UBS U.S. Value Equity Relationship Fund to the UBS U.S. Large-Cap Value Equity Relationship Fund./12/

(d) Form of Amendment No. 4 to Schedule A to the Investment Advisory Agreement dated July 1, 2002 between the Registrant and UBS Global Asset Management (Americas) Inc. reflecting the addition of (i) the UBS Absolute Return Bond Relationship Fund; (ii) the UBS Emerging Markets Equity Completion Relationship Fund; (iii) the UBS U.S. Small-Mid Cap Core Relationship Fund; (iv) the UBS U.S. Small-Mid Cap Growth Relationship Fund; and

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(v) the UBS U.S. Equity Long/Short Relationship Fund, is electronically filed herewith as Exhibit No. EX-99.d.3.d.

(e) Underwriting Contracts.

Not applicable.

(f) Bonus or Profit Sharing Contracts.

Not applicable.

(g) Custodian Agreements.

(1) Custodian arrangements are provided under a Multiple Services Agreement effective May 9, 1997 (the "Agreement") between the Registrant and Morgan Stanley Trust Company ("MSTC") on behalf of each series of the Registrant. Effective October 1, 1998, MSTC was acquired by The Chase Manhattan Bank ("Chase"), and Chase assumed all of MSTC's rights and obligations under the Agreement./2/

(a) Amendment dated May 9, 2000 to the Registrant's Agreement relating to Fee Obligation and Continuation of the Agreement./4/

(b) Amendment dated February 28, 2000 to Schedule A (Securities Lending Authorization) of the Registrant's Agreement to reflect the addition of Brinson U.S. Treasury Inflation Protected Securities Fund, Brinson Defensive High Yield Fund and Brinson Limited Duration Fund, the elimination of the Brinson EXDEX (R) Fund, the name change of Brinson Post-Venture Fund to Brinson U.S. Small Capitalization Equity Fund and the name change of Brinson U.S. Large Capitalization Value Equity Fund to Brinson U.S. Value Equity Fund./4/

(c) Form of Amendment dated May 21, 2001 to Schedule A (Securities Lending Authorization) of the Registrant's Agreement to reflect the addition of Brinson Securitized Mortgage Fund./6/

(d) Amendment dated February 28, 2000 to Schedules B1 (List of Series) and F (Fee Schedule) of the Registrant's Agreement to reflect the addition of Brinson U.S. Treasury Inflation Protected Securities Fund, Brinson Defensive High Yield Fund and Brinson Limited Duration Fund, the elimination of the Brinson EXDEX (R) Fund, the name change of Brinson Post-Venture Fund to Brinson U.S. Small Capitalization Equity Fund and the name change of Brinson U.S. Large Capitalization Value Equity Fund to Brinson U.S. Value Equity Fund./4/

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(e) Form of Amendment dated May 21, 2001 to Schedule B1 (List of Series) and F (Fee Schedule) of the Registrant's Agreement to reflect the addition of the Brinson Securitized Mortgage Fund./6/

(f) Amendment to Schedule B3 (Authorized Persons) of the Agreement as approved through February 16, 2001./5/

(g) Amendment to Attachment A (Approved Borrowers Located Outside the U.S.) of the Agreement as approved through February 16, 2001./5/

(h) Form of Amendment dated August 28, 2001 to Schedule A (Securities Lending Authorization) of the Registrant's Agreement to reflect the addition of the DSI Enhanced S&P 500 Fund./7/

(i) Form of Amendment dated August 28, 2001 to Schedule B1 (List of Series) and F (Fee Schedule) to reflect the addition of the DSI Enhanced S&P 500 Equity Fund./7/

(j) Amendment to Schedule B3 (Authorized Persons) of the Agreement as approved through August 28, 2001./7/

(k) Amendment to Attachment A (Approved Borrowers Located Outside the U.S.) of the Agreement as approved through August 28, 2001./7/

(l) Form of Amendment dated February 15, 2002 to Schedule A (Securities Lending Authorization) to reflect the name change of (i) the Brinson Global Securities Fund to the UBS Global Securities Relationship Fund, (ii) the Brinson U.S. Small Capitalization Equity Fund to the UBS U.S. Small Cap Equity Relationship Fund, (iii) the Brinson Emerging Markets Equity Fund to the UBS Emerging Markets Equity Relationship Fund, (iv) the Brinson Emerging Markets Debt Fund to the UBS Emerging Markets Debt Relationship Fund, (v) the Brinson U.S. Equity Fund to the UBS U.S. Equity Relationship Fund, (vi) the Brinson U.S. Cash Management Prime Fund to the UBS U.S. Cash Management Prime Relationship Fund, (vii) the Brinson U.S. Value Equity Fund to the UBS U.S. Value Equity Relationship Fund, (viii) the Brinson International Equity Fund to the UBS International Equity Relationship Fund, (ix) the Brinson Short-Term Fund to the UBS Short-Term Relationship Fund, (x) the Brinson U.S. Large Capitalization Equity Fund to the UBS U.S. Large Cap Equity Relationship Fund, (xi) the Brinson U.S. Bond Fund to the UBS U.S. Bond Relationship Fund, (xii) the Brinson Global Bond Fund to the UBS Global Bond Relationship Fund, (xiii) the Brinson U.S. Intermediate Capitalization Equity Fund to the UBS U.S.

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Intermediate Cap Equity Relationship Fund, (xiv) the Brinson Bond Plus Fund to the UBS U.S. Core Plus Relationship Fund,

(xv) the Brinson Short Duration Fund to the UBS Short Duration Relationship Fund, (xvi) the Brinson Enhanced Yield Fund to the UBS Enhanced Yield Relationship Fund, (xvii) the Brinson U.S. Treasury Inflation Protected Securities Fund to the UBS U.S. Treasury Inflation Protected Securities Relationship Fund, (xviii) the Brinson High Yield Fund to the UBS High Yield Relationship Fund, (xix) the Brinson Defensive High Yield Fund to the UBS Defensive High Yield Relationship Fund, (xx) the Brinson U.S. Securitized Mortgage Fund to the UBS U.S. Securitized Mortgage Relationship Fund and (xxi) the DSI Enhanced S&P 500 Fund to the DSI Enhanced S&P 500 Relationship Fund./9/

(m) Form of Amendment dated February 15, 2002 to Schedule B1 (List of Series) and F (Fee Schedule) to reflect the name change of (i) the Brinson Global Securities Fund to the UBS Global Securities Relationship Fund, (ii) the Brinson U.S. Small Capitalization Equity Fund to the UBS U.S. Small Cap Equity Relationship Fund, (iii) the Brinson Emerging Markets Equity Fund to the UBS Emerging Markets Equity Relationship Fund, (iv) the Brinson Emerging Markets Debt Fund to the UBS Emerging Markets Debt Relationship Fund, (v) the Brinson U.S. Equity Fund to the UBS U.S. Equity Relationship Fund, (vi) the Brinson U.S. Cash Management Prime Fund to the UBS U.S. Cash Management Prime Relationship Fund, (vii) the Brinson U.S. Value Equity Fund to the UBS U.S. Value Equity Relationship Fund, (viii) the Brinson International Equity Fund to the UBS International Equity Relationship Fund, (ix) the Brinson Short-Term Fund to the UBS Short-Term Relationship Fund, (x) the Brinson U.S. Large Capitalization Equity Fund to the UBS U.S. Large Cap Equity Relationship Fund, (xi) the Brinson U.S. Bond Fund to the UBS U.S. Bond Relationship Fund, (xii) the Brinson Global Bond Fund to the UBS Global Bond Relationship Fund, (xiii) the Brinson U.S. Intermediate Capitalization Equity Fund to the UBS U.S. Intermediate Cap Equity Relationship Fund, (xiv) the Brinson Bond Plus Fund to the UBS U.S. Core Plus Relationship Fund, (xv) the Brinson Short Duration Fund to the UBS Short Duration Relationship Fund, (xvi) the Brinson Enhanced Yield Fund to the UBS Enhanced Yield Relationship Fund, (xvii) the Brinson U.S. Treasury Inflation Protected Securities Fund to the UBS U.S. Treasury Inflation Protected Securities Relationship Fund, (xviii) the Brinson High Yield Fund to the UBS High Yield Relationship Fund, (xix) the Brinson Defensive High Yield Fund to the UBS Defensive High Yield Relationship Fund, (xx) the Brinson U.S. Securitized Mortgage Fund to the UBS U.S. Securitized Mortgage

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Relationship Fund and (xxi) the DSI Enhanced S&P 500 Fund to the DSI Enhanced S&P 500 Relationship Fund./9/

(n) Amendment to Schedule B3 (Authorized Persons) of the Agreement as approved through March 18, 2002./9/

(o) Amendment to Attachment A (Approved Borrowers Located Outside the U.S.) of the Agreement as approved through March 18, 2002./9/

(p) Form of Amendment dated June 3, 2002 to Schedule A (Securities Lending Authorization) to reflect the addition of (i) the UBS Opportunistic Emerging Markets Debt Relationship Fund, and (ii) the UBS Opportunistic High Yield Relationship Fund./9/

(q) From of Amendment dated June 3, 2002 to Schedule B1 (List of Series) and F (Fee Schedule) to reflect the addition of (i) the UBS Opportunistic Emerging Markets Debt Relationship Fund, and (ii) the UBS Opportunistic High Yield Relationship Fund./9/

(r) Form of Amendment dated August 19, 2002 to Schedule A (Securities Lending Authorization) to reflect the name change of the UBS Global Bond Fund to the UBS Global Aggregate Relationship Fund./10/

(s) Form of Amendment dated August 19, 2002 to Schedule B1 (List of Series) and F (Fee Schedule) to reflect the name change of UBS Global Bond Fund to UBS Global Aggregate Relationship Fund and revised fees./10/

(t) Amendment to Schedule B3 (Authorized Persons) of the Agreement as approved through August 19, 2002./10/

(u) Amendment to Attachment A (Approved Borrowers Located Outside the U.S.) of the Agreement as approved through August 19, 2002./10/

(v) Form of Amendment to Schedule A (Securities Lending Authorization) to reflect the addition of UBS Corporate Bond Relationship Fund./11/

(w) Forms of Amendments to Schedule B1 (List of Series) and F (Fee Schedule) to reflect the addition of UBS Corporate Bond Relationship Fund./11/

(x) Amendment to Schedule B3 (Authorized Persons) of the Agreement as approved through March 11, 2003./11/

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(y) Amendment to Attachment A (Approved Borrowers Located Outside the U.S.) of the Agreement as approved through March 11, 2003./11/

(z) Form of Amendment to Schedule A (Securities Lending Authorization), reflecting the addition of (i) the UBS Absolute Return Bond Relationship Fund; (ii) the UBS Emerging Markets Equity Completion Relationship Fund; (iii) the UBS U.S. Small-Mid Cap Core Relationship Fund; (iv) the UBS U.S. Small-Mid Cap Growth Relationship Fund; and (v) the UBS U.S. Equity Long/Short Relationship Fund, is electronically filed herewith as Exhibit No. EX-99.g.1.z.

(aa) Forms of Amendments to Schedule B1 (List of Series) and F (Fee Schedule), reflecting the addition of (i) the UBS Absolute Return Bond Relationship Fund; (ii) the UBS Emerging Markets Equity Completion Relationship Fund; (iii) the UBS U.S. Small-Mid Cap Core Relationship Fund; (iv) the UBS U.S. Small-Mid Cap Growth Relationship Fund; and (v) the UBS U.S. Equity Long/Short Relationship Fund, is electronically filed herewith as Exhibit No. EX-99.g.1.aa.

(h) Other Material Contracts.

Not applicable.

(i) Legal Opinion.

Not applicable.

(j) Other Opinions.

Not applicable.

(k) Omitted Financial Statements.

Not applicable.

(l) Initial Capital Agreements.

Not applicable.

(m) Rule 12b-1 Plan.

Not applicable.

(n) Rule 18f-3 Plan.

Not applicable.

<Page>

(o) Reserved

(p) Codes of Ethics.

(1) Joint Code of Ethics of the Registrant and investment adviser is filed herewith as Exhibit No. EX-99.p.1.

(q) Powers of Attorney.

(1) Power of Attorney dated December 14, 2004, appointing Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell as attorneys-in-fact and agents to Walter E. Auch, Frank K. Reilly, Edward M. Roob, Adela Cepeda, J. Mikesell Thomas, Joseph T. Malone and Joseph A. Varnas is filed herewith as Exhibit No. EX-99.q.1.

/1/ Incorporated herein by reference to Post-Effective Amendment No. 6 to the Registrant's Registration Statement on Form N-1A (File No. 811-9036) (the "Registration Statement") as filed electronically with the SEC on April 30, 1997.

/2/ Incorporated herein by reference to Post Effective Amendment No. 11 to the Registrant's Registration Statement as filed electronically with the SEC on June 12, 1998.

/3/ Incorporated herein by reference to Post-Effective Amendment No. 14 to the Registrant's Registration Statement as filed electronically with the SEC on April 14, 2000.

/4/ Incorporated herein by reference to Post-Effective Amendment No. 15 to the Registrant's Registration Statement as filed electronically with the SEC on October 30, 2000.

/5/ Incorporated herein by reference to Post-Effective Amendment No. 16 to the Registrant's Registration Statement as filed electronically with the SEC on April 27, 2001.

/6/ Incorporated herein by reference to Post-Effective Amendment No. 17 to the Registrant's Registration Statement as filed electronically with the SEC on July 6, 2001.

/7/ Incorporated herein by reference to Post-Effective Amendment No. 18 to the Registrant's Registration Statement as filed electronically with the SEC on October 3, 2001.

/8/ Incorporated herein by reference to Post-Effective Amendment No. 20 to the Registrant's Registration Statement as filed electronically with the SEC on April 9, 2002.

/9/ Incorporated herein by reference to Post-Effective Amendment No. 21 to the Registrant's Registration Statement as filed electronically with the SEC on July 3, 2002.

/10/ Incorporated herein by reference to Post-Effective Amendment No. 22 to the Registrant's Registration Statement as filed electronically with the SEC on September 9, 2002.

<Page>

/11/ Incorporated herein by reference to Post-Effective Amendment No. 23 to the Registrant's Registration Statement as filed electronically with the SEC on April 29, 2003.

/12/ Incorporated herein by reference to Post-Effective Amendment No. 24 to the Registrant's Registration Statement as filed electronically with the SEC on April 29, 2004.

ITEM 24. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL WITH THE FUND.

None.

ITEM 25. INDEMNIFICATION.

As permitted by Sections 17(h) and (i) of the Investment Company Act of 1940, as amended (the "1940 Act"), indemnification provisions for each of the Registrant's Trustees, officers, employees, agents and persons who serve at the Trust's request as directors, officers or trustees of other organizations in which the Trust has any interest as a shareholder, creditor or otherwise are set forth in Article V, Sections 5.2 and 5.3 of the Registrant's Declaration as amended and restated on April 23, 2003. (included in Item 23(a)(1) above).

Pursuant to Article V, Section 5.2 of the Registrant's Declaration, the Trust shall indemnify each of its Trustees, officers, employees, and agents (including Persons who serve at its request as directors, officers or trustees of another organization in which it has any interest, as a shareholder, creditor or otherwise) and the TMP against all liabilities and expenses (including amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as counsel fees) reasonably incurred by him, her or it in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he, she or it may be involved or with which he, she or it may be threatened, while in office or thereafter, by reason of his, her or its being or having been such a Trustee, officer, employee, agent or TMP, except with respect to any matter as to which he, she or it shall have been adjudicated to have acted in bad faith, with willful misfeasance, gross negligence or reckless disregard of his, her or its duties; provided, however, that as to any matter disposed of by a compromise payment by such Person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless there has been a determination that such Person did not engage in conduct involving willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his, her or its office by the court or other body approving the settlement or other disposition or by a reasonable determination, based upon review of readily available facts (as opposed to a full trial-type inquiry), that he, she or it did not engage in such conduct by written opinion from independent legal counsel approved by the Trustees. The rights accruing to any Person under these provisions shall not exclude any other right to which he or she may be lawfully entitled; provided that no Person may satisfy any right of indemnity or reimbursement granted herein or in Section 5.1 or to which he, she or it may be otherwise entitled except out of the Trust Property. The Trustees may make advance payments in connection with indemnification under this Section 5.2, provided that the indemnified Person shall have given a written undertaking to reimburse the Trust in the event it is subsequently determined that he, she or it is not entitled to such indemnification.

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Pursuant to Article V, Section 5.3 of the Registrant's Declaration, no Holder shall be liable for any liabilities or obligations of the Trust. To the extent assets are available in the Trust, the Trust shall indemnify and hold each Holder harmless from and against any claim or liability to which such Holder may become subject by reason of his or her being or having been a Holder and shall reimburse such Holder for all legal and other expenses reasonably incurred by him or her in connection with any such claim or liability; and provided, further, that no Holder shall be entitled to indemnification by any series established in accordance with Section 9.8 unless such Holder is a Holder of Units of such series. The rights accruing to a Holder under this Section 5.3 shall not exclude any other right to which such Holder may be lawfully entitled, nor shall anything herein contained restrict the right of the Trust to indemnify or reimburse a Holder in any appropriate situation even though not specifically provided herein.

"Director and Officer" liability policies purchased by the Registrant insure the Registrant's Trustees and officers, subject to the policies' coverage limits, exclusions and deductibles, against loss resulting from claims by reason of any act, error, omission, misstatement, misleading statement, neglect or breach of duty.

The Registrant hereby undertakes that it will apply the indemnification provision of the Declaration, in a manner consistent with Release 11,330 of the SEC under the 1940 Act, so long as the interpretation of Sections 17(h) and 17(i) of the 1940 Act remains in effect.

ITEM 26. BUSINESS AND OTHER CONNECTIONS OF THE INVESTMENT ADVISOR.

UBS Global Asset Management (Americas) Inc. provides investment advisory service for a variety of individuals and institutions and as of December 31, 2004 had approximately $61.3 billion in assets under management. It presently provides investment advisory services to three other investment companies.

For information as to any other business, profession, vocation or employment of a substantial nature in which the Registrant's investment advisor, UBS Global Asset Management (Americas) Inc., and each director or officer of the Registrant's investment advisor is or has been engaged for his or her own account or in the capacity of director, officer, employee, partner or trustee within the last two fiscal years, reference is made to the Form ADV (File #801-34910) filed by it under the Investment Advisers Act of 1940, as amended.

ITEM 27. PRINCIPAL UNDERWRITERS.

Not Applicable.

ITEM 28. LOCATION OF ACCOUNTS AND RECORDS.

All records described in Section 31(a) [15 U.S.C. 80a-30(a)] and the rules under that section, are maintained by the Registrant's investment advisor, UBS Global Asset Management (Americas) Inc., One North Wacker Drive, Chicago, IL 60606, except for those maintained by the Registrant's Custodian, JPMorgan Chase Bank ("Chase"), 270 Park Avenue, New York, New York 10017.

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Chase provides general administrative, accounting, portfolio valuation, transfer agency and custodian services to the Registrant, including the coordination and monitoring of any third party service providers and maintains all such records relating to these services.

ITEM 29. MANAGEMENT SERVICES.

The Registrant is not a party to any management-related service contracts not discussed in Part A or Part B.

ITEM 30. UNDERTAKINGS.

Not Applicable.

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SIGNATURES

Pursuant to the requirements of the Investment Company Act of 1940, as amended, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, duly authorized, in the City of New York, and State of New York, on the 29th day of April, 2005.

UBS RELATIONSHIP FUNDS

By: /s/ James Capezzuto

James Capezzuto
Vice President and Assistant Secretary

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EXHIBITS INDEX

<Table>
<Caption>

EXHIBITS	EXHIBIT NO.
<S>	<C>
Amended Exhibit A to the Amended and Restated Declaration of Trust	EX-99.a.1.a
Form of Amendment No. 4 to Schedule A of the Investment Advisory Agreement	EX-99.d.3.d
Form of Amendment to Schedule A (Securities Lending Authorization)	EX-99.g.1.z
Forms of Amendments to Schedule B1 (List of Series) and F (Fee Schedule)	EX-99.g.1.aa
Joint Code of Ethics	EX-99.p.1
Power of Attorney for Walter E. Auch, Frank K. Reilly, Edward M. Roob, Adela Cepeda, J. Mikesell Thomas, Joseph T. Malone and Joseph A. Varnas dated December 14, 2004	EX-99.q.1

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Exhibit No. EX-99.a.1.a

EXHIBIT A

SERIES OF THE TRUST

UBS Global Securities Relationship Fund
UBS Global Aggregate Bond Relationship Fund
UBS U.S. Large Cap Equity Relationship Fund
UBS Large-Cap Select Equity Relationship Fund
UBS U.S. Intermediate Cap Equity Relationship Fund
UBS U.S. Large-Cap Value Equity Relationship Fund
UBS Small-Cap Equity Relationship Fund
UBS International Equity Relationship Fund
UBS Emerging Markets Equity Relationship Fund
UBS U.S. Core Plus Relationship Fund
UBS U.S. Bond Relationship Fund
UBS U.S. Securitized Mortgage Relationship Fund
UBS Short Duration Relationship Fund
UBS Enhanced Yield Relationship Fund
UBS Short-Term Relationship Fund
UBS U.S. Treasury Inflation Protected Securities Relationship Fund
UBS U.S. Cash Management Prime Relationship Fund
UBS High Yield Relationship Fund
UBS Defensive High Yield Relationship Fund
UBS Emerging Markets Debt Relationship Fund
UBS Opportunistic High Yield Relationship Fund
UBS Opportunistic Emerging Markets Debt Relationship Fund
UBS Corporate Bond Relationship Fund
UBS All Country World Ex US Equity Relationship Fund
UBS Absolute Return Bond Relationship Fund
UBS Emerging Markets Equity Completion Relationship Fund
UBS U.S. Small-Mid Cap Core Equity Relationship Fund
UBS U.S. Small-Mid Cap Growth Relationship Fund
UBS U.S. Equity Long/Short Relationship Fund

March 8, 2005

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EXHIBIT NO. EX-99.d.3.d

AMENDMENT NO. 4 TO SCHEDULE A

SCHEDULE A

UBS RELATIONSHIP FUNDS

1. UBS Global Securities Relationship Fund
2. UBS Global Aggregate Bond Relationship Fund
3. UBS Large-Cap Select Equity Relationship Fund
4. UBS U.S. Intermediate Cap Relationship Fund
5. UBS U.S. Large-Cap Value Equity Relationship Fund
6. UBS Small-Cap Equity Relationship Fund
7. UBS Emerging Markets Equity Relationship Fund
8. UBS U.S. Core Plus Relationship Fund
9. UBS U.S. Bond Relationship Fund
10. UBS Short Duration Relationship Fund
11. UBS Enhanced Yield Relationship Fund
12. UBS U.S. Treasury Inflation Protected Securities Relationship Fund
13. UBS Short-Term Relationship Fund
14. UBS Emerging Markets Debt Relationship Fund
15. UBS Opportunistic Emerging Markets Debt Relationship Fund
16. UBS Opportunistic High Yield Relationship Fund
17. UBS Corporate Bond Relationship Fund
18. UBS All Country World Ex US Equity Relationship Fund
19. UBS Absolute Return Bond Relationship Fund
20. UBS Emerging Markets Equity Completion Relationship Fund
21. UBS U.S. Small-Mid Cap Core Equity Relationship Fund
22. UBS U.S. Small-Mid Cap Growth Relationship Fund
23. UBS U.S. Equity Long/Short Relationship Fund

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This Amendment No. 4 to Schedule A of the Investment Advisory Agreement by and between UBS Relationship Funds and UBS Global Asset Management (Americas) Inc. dated July 1, 2002 has been agreed to as of this ___ day of ___________, 2005 by the undersigned.

UBS RELATIONSHIP FUNDS	UBS RELATIONSHIP FUNDS
By: -----------------------	By: -----------------------
Name:	Name:
Title:	Title:

UBS GLOBAL ASSET MANAGEMENT (AMERICAS) INC.

By:
\-----------------------
Name:
Title:

UBS GLOBAL ASSET MANAGEMENT (AMERICAS) INC.

By:
\-----------------------
Name:
Title:

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EXHIBIT NO. EX-99.g.1.z

AMENDMENT

[JPMORGAN LOGO]

JPMORGAN CHASE BANK
4 New York Plaza
New York, NY 10004

April __, 2005

UBS Relationship Funds
One North Wacker Drive
Chicago, IL 60606

RE: AMENDMENT TO THE MULTIPLE SERVICES AGREEMENT SECURITIES LENDING AUTHORIZATION DATED JULY 15, 1997 - ADDITION OF SERIES ON SCHEDULE A

Dear Sirs:

We refer to the Amendment to the Multiple Services Agreement Securities Lending Authorization dated July 15, 1997 (the "Securities Lending Authorization") between JPMorgan Chase Bank (the "Custodian"), as successor to the Morgan Stanley Trust Company, and UBS Relationship Funds (the "Client"). The parties hereby agree as follows:

1. Schedule A is replaced in its entirety with Schedule A attached hereto.

The Multiple Services Agreement, as amended by this letter amendment, shall continue in full force and effect.

Please evidence your acceptance of the terms of this letter by signing below and returning one copy to Brian Fitzgerald, J.P. Morgan Investor Services Co., 73 Tremont St., Boston, MA 02108.

Very truly yours,

JPMORGAN CHASE BANK

By: ----------------------------
Name:
Title:

Accepted and Agreed:

UBS RELATIONSHIP FUNDS

By: ---------------------------
Name:
Title:

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SCHEDULE A

<Table>
<Caption>

ACCOUNT	MAXIMUM PERMISSIBLE LOAN PERCENTAGE - TOTAL FUND	MAXIMUM PERMISSIBLE LOAN PERCENTAGE - SINGLE ISSUE
<S>	<C>	<C>
UBS RELATIONSHIP FUNDS		
UBS Global Securities Relationship Fund	33 1/3% of total assets	
UBS U.S. Large-Cap Equity Value Relationship Fund	33 1/3% of total assets	
UBS Global Aggregate Bond Relationship Fund	33 1/3% of total assets	
UBS U.S. Cash Management Prime Relationship Fund	33 1/3% of total assets	
UBS U.S. Core Plus Relationship Fund	33 1/3% of total assets	
UBS U.S. Large Cap Equity Relationship Fund	33 1/3% of total assets	
UBS Large-Cap Select Equity Relationship Fund	33 1/3% of total assets	
UBS U.S. Intermediate Cap Equity Relationship Fund	33 1/3% of total assets	
UBS Small-Cap Equity Relationship Fund	33 1/3% of total assets	
UBS International Equity Relationship Fund	33 1/3% of total assets	
UBS U.S. Bond Relationship Fund	33 1/3% of total assets	
UBS Short Duration Relationship Fund	33 1/3% of total assets	
UBS Short-Term Relationship Fund	33 1/3% of total assets	
UBS Emerging Markets Equity Relationship Fund	33 1/3% of total assets	
UBS Enhanced Yield Relationship Fund	33 1/3% of total assets	
UBS U.S. Treasury Inflation Protected Securities Relationship Fund	33 1/3% of total assets	
UBS High Yield Relationship Fund	33 1/3% of total assets	
UBS Defensive High Yield Relationship Fund	33 1/3% of total assets	
UBS Emerging Markets Debt Relationship Fund	33 1/3% of total assets	
UBS U.S. Securitized Mortgage Relationship Fund	33 1/3% of total assets	
UBS Opportunistic Emerging Markets Debt Relationship Fund	33 1/3% of total assets	
UBS Opportunistic High Yield Relationship Fund	33 1/3% of total assets	
UBS Corporate Bond Relationship Fund	33 1/3% of total assets	
UBS All Country World Ex US Equity Relationship Fund	33 1/3% of total assets	
UBS Absolute Return Bond Relationship Fund	33 1/3% of total assets	
UBS Emerging Markets Equity Completion Relationship Fund	33 1/3% of total assets	
UBS U.S. Small-Mid Cap Core Relationship Fund	33 1/3% of total assets	

UBS U.S. Small-Mid Cap Growth Relationship Fund	33 1/3% of total assets
UBS U.S. Equity Long/Short Relationship Fund	33 1/3% of total assets

* U.S. Equity Securities	80%
* All other Securities	100%

</Table>

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EXHIBIT NO. EX-99.g.1.aa

AMENDMENT

[JPMORGAN LOGO]

JPMORGAN CHASE BANK
4 New York Plaza
New York, NY 10004

April 29, 2005

UBS Relationship Funds
One North Wacker Drive
Chicago, IL 60606

RE: AMENDMENT TO MULTIPLE SERVICES AGREEMENT EFFECTIVE MAY 9, 1997 SCHEDULES B1 AND F TO REFLECT THE ADDITION OF SERIES

Dear Sirs:

We refer to the Multiple Services Agreement effective May 9, 1997 (the "MSA") between Morgan Stanley Trust Company, which was succeeded by JPMorgan Chase Bank, and the UBS Relationship Funds.

The parties hereby agree as follows:

1. "Schedule B1 - List of Series of UBS Relationship Funds as last amended on April 29, 2004" IS REPLACED in its entirety with "Schedule B1 - List of Series of UBS Relationship Funds as last amended on April 29, 2005" attached hereto.

2. "Schedule F - Fee Schedule for UBS Relationship Funds as last amended on April 29, 2004" IS REPLACED in its entirety with "Schedule F - Fee Schedule for UBS Relationship Funds as last amended on April 29, 2005," attached hereto.

The MSA, as amended by this letter amendment, shall continue in full force and effect.

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Please evidence your acceptance of the terms of this letter by signing below and returning one copy to Brian Fitzgerald, J.P. Morgan Investor Services Co., 73 Tremont, Boston, MA 02108.

Very truly yours,

JPMORGAN CHASE BANK

By:

Name:
Title:

Accepted and Agreed:

UBS RELATIONSHIP FUNDS

By:

Name:
Title:

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SCHEDULE B1

LIST OF SERIES OF UBS RELATIONSHIP FUNDS

AS LAST AMENDED APRIL 29, 2005

UBS Global Securities Relationship Fund
UBS Global Aggregate Bond Relationship Fund
UBS U.S. Large Cap Equity Relationship Fund
UBS Large-Cap Select Equity Relationship Fund
UBS U.S. Intermediate Cap Equity Relationship Fund
UBS U.S. Large-Cap Value Equity Relationship Fund
UBS Small-Cap Equity Relationship Fund
UBS International Equity Relationship Fund
UBS Emerging Markets Equity Relationship Fund
UBS U.S. Core Plus Relationship Fund
UBS U.S. Bond Relationship Fund
UBS Short Duration Relationship Fund
UBS Enhanced Yield Relationship Fund
UBS Short-Term Relationship Fund
UBS U.S. Treasury Inflation Protected Securities Relationship Fund
UBS U.S. Cash Management Prime Relationship Fund
UBS High Yield Relationship Fund
UBS Defensive High Yield Relationship Fund
UBS Emerging Markets Debt Relationship Fund
UBS U.S. Securitized Mortgage Relationship Fund
UBS Opportunistic Emerging Markets Debt Relationship Fund
UBS Opportunistic High Yield Relationship Fund
UBS Corporate Bond Relationship Fund
UBS All Country World Ex US Equity Relationship Fund
UBS Absolute Return Bond Relationship Fund
UBS Emerging Markets Equity Completion Relationship Fund
UBS U.S. Small-Mid Cap Core Relationship Fund
UBS U.S. Small-Mid Cap Growth Relationship Fund
UBS U.S. Equity Long/Short Relationship Fund

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SCHEDULE F

FEE SCHEDULE FOR UBS RELATIONSHIP FUNDS

AS LAST AMENDED ON APRIL 29, 2005

ACCOUNTING, ADMINISTRATION, TRANSFER AGENCY AND CUSTODY SERVICES ANNUAL FEE SCHEDULE

1. On an annual basis, 4.00 basis points of the average weekly U.S. net assets of the Customer, 9.00 basis points of the average weekly non-U.S. net assets of the Customer, 32.50 basis points of the average weekly emerging markets equity net assets of the Customer, 9.00 basis points of the average weekly emerging markets debt non-U.S. dollar denominated net assets of the Customer, and 4.00 basis points of the average weekly emerging markets debt U.S. dollar denominated net assets of the Customer. A $10,000 per fund fixed fee will also apply for any fund of funds arrangements.

   There will be an annual fee of $25 for each shareholder account within UBS Relationship Funds.

   An additional fee of 7.50 basis points will be charged for administrative duties. PLEASE NOTE: The additional fee of 7.50 basis points can ONLY be charged up to the extent it does not make a fund exceed its expense cap. Please see below for the expense caps of each fund within the UBS Relationship Funds:

<Table>
<Caption>

FUND	EXPENSE CAP
<S>	<C>
UBS Global Securities Relationship Fund	8.75 basis points
UBS Global Aggregate Bond Relationship Fund	8.75 basis points
UBS U.S. Large Cap Equity Relationship Fund	4.75 basis points
UBS Large-Cap Select Equity Relationship Fund	4.75 basis points
UBS U.S. Intermediate Cap Equity Relationship Fund	4.75 basis points
UBS U.S. Large-Cap Value Equity Relationship Fund	4.75 basis points
UBS Small-Cap Equity Relationship Fund	3.75 basis points
UBS International Equity Relationship Fund	9 basis points
UBS Emerging Markets Equity Relationship Fund	50 basis points
UBS U.S. Core Plus Relationship Fund	8.75 basis points
UBS U.S. Bond Relationship Fund	4.75 basis points
UBS Short Duration Relationship Fund	4.75 basis points
UBS Enhanced Yield Relationship Fund	4.75 basis points
UBS Short-Term Relationship Fund	8.75 basis points
UBS U.S. Treasury Inflation Protected Securities Relationship Fund	4.75 basis points
UBS U.S. Cash Management Prime Relationship Fund	1.00 basis point

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<S> <C>

UBS High Yield Relationship Fund	3.75 basis points
UBS Defensive High Yield Relationship Fund	4.75 basis points
UBS Emerging Markets Debt Relationship Fund	50 basis points
UBS U.S. Securitized Mortgage Relationship Fund	13.75 basis points
UBS Opportunistic Emerging Markets Debt Relationship Fund	50 basis points
UBS Opportunistic High Yield Relationship Fund	13.75 basis points
UBS Corporate Bond Relationship Fund	10 basis points
UBS All Country World Ex US Equity Relationship Fund	23 basis points
UBS Absolute Return Bond Relationship Fund	__ basis points
UBS Emerging Markets Equity Completion Relationship Fund	__ basis points
UBS U.S. Small-Mid Cap Core Relationship Fund	__ basis points
UBS U.S. Small-Mid Cap Growth Relationship Fund	__ basis points
UBS U.S. Equity Long/Short Relationship Fund	__ basis points

</Table>

For purposes of this Schedule F, the "AVERAGE WEEKLY U.S. ASSETS OF THE CUSTOMER" means the average weekly U.S. assets custodied within the United States of the Customer as calculated by the Accounting Agent for the month for which the statement reflecting the charges for a given month relates. For purposes of this Schedule F, the "AVERAGE WEEKLY NON-U.S. ASSETS OF THE CUSTOMER" means the average weekly balance of countries included in the Morgan Stanley Capital World Ex-U.S.A. (Free) Index or the Salomon Non-U.S. Government Bond Index (including assets with a country of issue of the European Economic Community and held in Euroclear or CEDEL) custodied outside the United States of the Customer as calculated by the Accounting Agent for the month for which the statement reflecting the charges for a given month relates. For purposes of this Schedule F, the "AVERAGE WEEKLY EMERGING MARKETS EQUITY ASSETS OF THE CUSTOMER" means the average weekly balance of the countries included in the International Finance Corporation Global Index (excluding countries included in the Morgan Stanley Capital World Ex-U.S.A. (Free) Index or the Salmon Non-U.S. Government Bond Index, but including assets with a country of issue in the local market contained in such index that are held in Euroclear or CEDEL) custodied outside the United States of the UBS Emerging Markets Equity Relationship Fund as calculated by the Accounting Agent for the month for which the statement reflecting the charges for a given month relates. For purposes of this Schedule F, the "AVERAGE WEEKLY EMERGING MARKETS DEBT ASSETS OF THE CUSTOMER" means the average weekly balance of the countries included in the J.P. Morgan Emerging Markets Bond Index Plus custodied outside the United States of the UBS Emerging Markets Debt Relationship Fund (including assets with a country of issue in the local market contained in such index that are held in Euroclear or CEDEL) as calculated by the Accounting Agent for the month for which the statement reflecting the charges for a given month relates.

Those fees include all out-of-pocket expenses or transaction charges incurred by the accountant, administrator, transfer agent and custodian with the exception of the following.

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The Customer will be billed directly by Other Parties for the following direct Customer expenses or transaction charges:

(1) taxes;

(2) salaries and other fees of officers and directors who are not officers, directors, shareholders or employees of Other Parties, or the Customer's investment adviser;

(3) SEC and state Blue Sky registration and qualification fees, levies, fines and other charges;

(4) EDGAR filing fees;

(5) independent public accountants;

(6) insurance premiums including fidelity bond premiums;

(7) outside legal expenses;

(8) costs of maintenance of corporate existence;

(9) expenses of typesetting and printing of prospectuses for regulatory purposes and for distribution to current shareholders of the Customer;

(10) expenses of printing and production costs of shareholders' reports and proxy statements and materials;

(11) trade association dues and expenses; and

(12) travel and lodging expenses of the Customer's directors and officers who are not directors, officers and/or employees of Other Parties.

Customer will not be billed directly for any direct Customer Expenses or pay any other direct Customer expenses, unless the payment of such direct expenses is agreed to in writing by Customer.

2. Upon termination of the provision of services under this Agreement before the end of any month, the fee for the part of the month before such termination or the date after which the provision of services ceases, whichever is later, shall be prorated according to the proportion which such part bears to the full monthly period and shall be payable upon the date of such termination or the date after which the provision of the services ceases, whichever is later.

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Exhibit No. EX-99.p.1

[UBS GLOBAL ASSET MANAGEMENT LOGO]

UBS GLOBAL ASSET MANAGEMENT
CODE OF ETHICS

POLICY SUMMARY

This Code of Ethics is designed to ensure, among other things, that employees conduct their activities in a manner where clients' interests are placed first and foremost and are consistent with the law.

RISKS ADDRESSED BY THIS POLICY

This policy is designed to address the following risks:

- VIOLATIONS OF INVESTMENT ADVISERS ACT 206(4)-7

- REPUTATION HARM TO UBS GLOBAL ASSET MANAGEMENT

- REGULATORY FINES AND PENALTIES FOR VIOLATIONS OF THIS POLICY

FOR INTERNAL USE ONLY

Last updated: September 6, 2004

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APPENDIXES

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UBS GLOBAL ASSET MANAGEMENT
CODE OF ETHICS

INTRODUCTION

UBS Global Asset Management (US) Inc. and UBS Global Asset Management (Americas) Inc. (collectively, "UBS Global AM")(1) has many important assets. Perhaps the most valuable is its established and unquestioned reputation for integrity. Preserving this integrity demands the continuing alertness of every employee. Each employee must avoid any activity or relationship that may reflect unfavorably on UBS Global AM as a result of a possible conflict of interest, the appearance of such a conflict, the improper use of confidential information or the appearance of any impropriety. Although no written code can take the place of personal integrity, the following, in addition to common sense and sound judgment, should serve as a guide to the minimum standards of proper conduct. This Code of Ethics ("Code") is designed to ensure, among other things, that all employees conduct their personal securities transactions in a manner where clients' interests are placed first and foremost and are consistent with the law. Any conduct that violates this Code is unacceptable and always constitutes an activity beyond the scope of the employee's legitimate employment.

The Code is designed to detect and prevent conflicts of interests between its employees, officers and directors and its Advisory Clients(2) that may arise due to personal investing activities. UBS Global AM also has established separate procedures designed to detect and prevent insider trading ("Insider Trading Procedures"), which should be read together with this Code.

Personal investing activities of "Covered Persons" (defined below) can create conflicts of interests that may compromise our fiduciary duty to Advisory Clients. As a result, Covered Persons must avoid any transaction that involves, or even appears to involve, a conflict of interests, diversion of an Advisory Client investment opportunity, or other impropriety with respect to dealing with an Advisory Client or acting on behalf of an Advisory Client.

As fiduciaries, Covered Persons must at all times comply with the following principles:

a. CLIENT INTERESTS COME FIRST. Covered Persons must scrupulously avoid serving their own personal interests ahead of the interests of Advisory Clients. If a Covered Person puts his/her own personal interests ahead of an Advisory Client's, or violates the law in any way, he/she will be subject to disciplinary action, even if he/she is in technical compliance with the Code.

----

(1) When used in this Code "UBS Global Asset Management" and "UBS Global AM" includes UBS Global Asset Management (US) Inc. and UBS Global Asset Management (Americas) Inc. We refer to these entities collectively as UBS Global AM Advisors.

(2) Advisory Client means any client (including but not limited to mutual funds, closed-end funds and separate accounts) for which UBS Global AM serves as an investment adviser or subadviser, to whom it renders investment advice, or for whom it makes investment decisions.

<Page>

b. AVOID TAKING ADVANTAGE. Covered Persons may not make personal investment decisions based on their knowledge of Advisory Client holdings or transactions. The most common example of this is "front running," or knowingly engaging in a personal transaction ahead of an Advisory Client with the expectation that the Advisory Client's transaction will cause a favorable move in the market. This prohibition applies whether a Covered Person's transaction is in the same direction as the transaction placed on behalf of an Advisory Client (for example, two purchases) or the opposite direction (a purchase and sale).

If you are uncertain whether a real or apparent conflict exists in any particular situation, you should consult with the Compliance Department immediately.

This Code applies to each of the UBS Global AM Advisors and the registered investment companies for which a UBS Global AM Advisor serves as investment manager, investment advisor and/or principal underwriter ("Funds") that are listed on Appendix A (which may be amended from time to time). The Code sets forth detailed policies and procedures that Covered Persons of UBS Global AM Advisors must follow in regard to their personal investing activities. ALL COVERED PERSONS ARE REQUIRED TO COMPLY WITH THE CODE AS A CONDITION OF CONTINUED EMPLOYMENT.

WHO IS SUBJECT TO THE CODE?

COVERED PERSONS. For purposes of this Code, COVERED PERSON is defined as:

- Each employee, officer and director of a UBS Global AM Advisor, their spouses and members of their immediate families;(3)

- An employee, officer or director of any UBS AG affiliate who is domiciled on the premises of a UBS Global AM for a period of 30 days or more; and

- Consultants and other temporary employees hired for a period of 30 days or more whose duties include access to UBS Global AM's technology and systems, AND/OR TRADING INFORMATION IN ANY FORM, unless they obtain a written exemption from the Compliance Department. Consultants and other temporary employees who are employed for less than a 30-day period, but who have access to UBS Global AM's trading information, will be subject to the reporting requirements described in Appendix G.

INTERESTED DIRECTORS OF A FUND. Directors of any Fund that is an Advisory Client (current Funds are listed on Appendix A) who are not Covered Persons but who are affiliated with another subsidiary of UBS AG ("Interested Directors") are subject to the following sections of the Code:

Section 5.1 INITIAL HOLDINGS REPORT AND CERTIFICATION

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(3) Immediate family includes your spouse, children and/or stepchildren and other relatives who live with you if you contribute to their financial support.

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Section 5.2 QUARTERLY TRANSACTIONS REPORT FOR COVERED PERSONS AND INTERESTED DIRECTORS

Section 5.4 ANNUAL CERTIFICATION FOR COVERED PERSONS, INTERESTED DIRECTORS AND INDEPENDENT DIRECTORS

INDEPENDENT DIRECTORS OF A FUND. Directors of a Fund who are not affiliated with a UBS Global AM Advisor and who do not otherwise meet the definition of "interested person" under Section 2(a)(19) of the Investment Company Act(4) ("Independent Directors") are subject only to the following sections of the Code:

Section 5.3 QUARTERLY TRANSACTION REPORT FOR INDEPENDENT DIRECTORS

Section 5.4 ANNUAL CERTIFICATION FOR COVERED PERSONS, INTERESTED DIRECTORS AND INDEPENDENT DIRECTORS

1. TYPES OF ACCOUNTS

1.1 COVERED ACCOUNTS

"COVERED ACCOUNT" includes any securities account (held at a broker-dealer, transfer agent, investment advisory firm, or other financial services firm) in which a Covered Person has a beneficial interest or over which a Covered Person has investment discretion or other control or influence.(5) Restrictions placed on transactions executed within a Covered Account also pertain to investments held outside of an account of which a Covered Person has physical control, such as a stock certificate.(6)

1.2 JOINT ACCOUNTS

Covered Persons are prohibited from entering into a joint account with any Advisory Client.

1.3 INVESTMENT CLUBS

A Covered Person may participate in an investment club only if he/she obtains the prior written approval of the Compliance Department. Requests for approval must be submitted on the INVESTMENT CLUB PRE-APPROVAL FORM (See Appendix E). Approval will only be granted if the Covered Person can ensure that the investment club will comply with all of the provisions of this Code.

If the Covered Person can demonstrate that he/she does not participate in investment decision-making, then a waiver of the preclearance requirement may be granted. An exemption

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(4) This includes, for example, those who are interested persons by reason of having had, at any time since the beginning of the last two completed fiscal years, a material business or professional relationship with any affiliate of UBS AG.

(5) Beneficial interest in an account includes any direct or indirect financial interest in an account.

(6) Covered Accounts also include accounts for which a Covered Person has power of attorney, serves as executor, trustee or custodian, and corporate or investment club accounts.

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from the preclearance requirement WILL NOT be granted if the Covered Person has influence or control over the club's investment decisions or if Covered Persons make up 50% or more of the club's membership.

The Compliance Department will periodically review investment club trading for abuses and conflicts and reserves the right to cancel approval of participation or to subject all of the club's trades to preclearance and other requirements.(7) Investment club accounts may not be used to undermine these procedures.

2. ESTABLISHING COVERED ACCOUNTS

2.1 USE OF AUTHORIZED BROKERS

GENERALLY, COVERED PERSONS MAY MAINTAIN A COVERED ACCOUNT ONLY WITH AUTHORIZED BROKER-DEALERS. The current list of Authorized Brokers, which is subject to change from time to time, is included in Appendix I. ANY EXCEPTIONS TO THIS RULE MUST BE APPROVED IN WRITING BY THE COMPLIANCE DEPARTMENT (SEE APPENDIX C FOR THE APPROPRIATE FORM). HOWEVER, COVERED PERSONS HIRED ON OR BEFORE DECEMBER 31, 2001 AND WHO MAINTAIN A COVERED ACCOUNT AT AN UNAUTHORIZED BROKER-DEALER THAT WAS OPENED ON OR BEFORE JUNE 30, 2002 MAY CONTINUE TO MAINTAIN THE ACCOUNT WITH THE UNAUTHORIZED BROKER. COVERED PERSONS MUST OBTAIN PRIOR WRITTEN APPROVAL FROM THE COMPLIANCE DEPARTMENT TO OPEN A FUTURES ACCOUNT.

EXCEPTIONS. The following Covered Accounts may be maintained away from an Authorized Broker without obtaining prior approval. Note: Covered Persons are required to report all Covered Accounts pursuant to the Reporting and Certification Requirements of Section 5 below.

MUTUAL FUND ONLY ACCOUNTS. Any account that permits a Covered Person only to buy and sell shares of open-end mutual funds for which UBS Global AM does not serve as investment adviser or subadviser and cannot be used to trade any other types of investments like stocks or closed-end funds.

401(k) PLANS. Any account with a 401(k) retirement plan that a Covered Person established with a previous employer, provided that the investments in the plan are limited to pooled investment options (E.G., open-end mutual funds). A 401(k) PLAN ACCOUNT THAT PERMITS YOU TO TRADE INDIVIDUAL SECURITIES OR INVEST IN POOLS CONSISTING OF SECURITIES OF A SINGLE ISSUER MUST BE APPROVED BY THE COMPLIANCE DEPARTMENT. THE UBS SIP PLAN OR ANY SUCCESSOR UBS 401(k) PLAN IS NOT AN EXCEPTED ACCOUNT WITHIN THIS DEFINITION.

INVESTMENTS IN THE PHYSICAL CONTROL OF A COVERED PERSON. Covered Persons may maintain physical possession of an investment (for example, a stock certificate).

YOU MUST OBTAIN APPROVAL TO MAINTAIN THE FOLLOWING COVERED ACCOUNTS:

INVESTMENTS DIRECTLY WITH ISSUERS (OR THEIR TRANSFER AGENTS). Covered Persons may participate in direct investment plans that allow the purchase of an issuer's securities without the intermediation of a broker-dealer provided that timing of such purchases is determined by the

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(7) Transactions effected through an investment club are subject to the reporting requirements outlined in Section 5.

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plan (E.G., dividend reinvestment plans ("DRIPS")). Such investments must be approved prior to the initial purchase of the issuer's securities. ONCE APPROVED, YOU ARE NOT REQUIRED TO PRECLEAR PURCHASES OR SALES OF SHARES IN THE PLAN, ALTHOUGH TRANSACTIONS AND HOLDINGS MUST BE REPORTED. HOWEVER, IF YOU WITHDRAW THE SECURITIES AND HOLD A CERTIFICATE OR TRANSFER THEM TO A BROKERAGE ACCOUNT, SUBSEQUENT SALES ARE SUBJECT TO PRECLEARANCE AS WELL AS THE 30-DAY HOLDING PERIOD.

2.2 DISCRETIONARY ACCOUNTS.

Covered Persons must obtain Compliance Department approval in order to open discretionary securities accounts. A discretionary account is one where all investment decisions are made by a third-party who is unrelated to the Covered Person or is not otherwise a Covered Person ("Discretionary Account"). Although Discretionary Accounts are exempt from the provisions of Section 4 (Trading Restrictions) of this Code, they are still Covered Accounts and must comply with all other provisions of this Code, including this Section and Section 5 (Reporting and Certification Requirements). In order to obtain necessary approval to open a Discretionary Account, Covered Persons must provide the following to the Compliance Department:

- A copy of the signed Investment Advisory Agreement and/or any other relevant documents creating the Account that demonstrate that the fiduciary has full investment discretion; and

- A signed attestation (See Appendix F) that, if the Covered Person discusses any specific strategies, industries or securities with the independent fiduciary, the Covered Person will pre-clear any related trades that result from the discussion. (Note that if no such discussions take place in advance of transactions, preclearance is not required).

The Compliance Department will review Discretionary Account trading for abuses and conflicts and reserves the right to cancel approval of a Discretionary Account and to subject all of the account's trades to preclearance and other requirements of this Code. Discretionary Accounts may not be used to undermine these procedures.

3. REPORTING

Covered Persons are responsible for notifying the Compliance Department AT THE TIME any Covered Account is opened and immediately upon making or being notified of a change in ownership or account number. The notification should be submitted in writing to the Compliance Department and include the broker name, name of the account, the date the account was opened, account number (if new account) or, if the account number changed, the old number and the new number and the effective date of the change.

4. COPYING THE COMPLIANCE DEPARTMENT ON STATEMENTS AND CONFIRMS

The Compliance Department receives automatic feeds of trade confirmations and account statements from Authorized Brokers. However, for accounts maintained away from Authorized Brokers, Covered Persons must arrange for the Compliance Department to receive directly from

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the executing broker-dealer, bank, or other third-party institution duplicate copies of trade confirmations for each transaction and periodic account statements for each Covered Account.

COVERED PERSONS ARE NOT REQUIRED TO PROVIDE DUPLICATE CONFIRMS AND STATEMENTS FOR MUTUAL FUND ONLY ACCOUNTS.

IF YOU CANNOT ARRANGE FOR DUPLICATE CONFIRMATIONS OR STATEMENTS. You may wish to engage in a transaction for which no confirmation can be delivered to the Compliance Department (E.G., a transaction in a privately placed security or a transaction in individual stocks held in a 401(k) plan). These types of transactions require the prior written approval of the Compliance Department and will involve additional reporting requirements.

5. TRADING RESTRICTIONS

SECURITY means any interest or instrument commonly known as a security, whether in the nature of debt or equity, including any option, futures contract, shares of registered open-end investment companies (mutual funds) advised or subadvised by UBS Global AM, warrant, note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or any participation in or right to subscribe to or purchase any such interest or instrument. For purposes of these trading restrictions and the reporting requirements described in Section 5, the term security does not include U.S. government bonds, bankers' acceptances, bank certificates of deposit, commercial paper, high-quality short-term debt instruments (including repurchase agreements), or shares of registered open-end investment companies (mutual funds) for which UBS Global AM does not serve as investment adviser or subadviser. (See Appendix (A) for a list of funds advised or subadvised by UBS Global AM).

5.1 PRECLEARANCE REQUIREMENTS

Covered Persons must obtain prior written approval before purchasing, selling or transferring any security, or exercising any option (except as noted below).

THE PROCESS. The preclearance process involves three steps:

COMPLETE THE FORM. Covered Persons must complete a Trade Request Form (See Appendix B) and submit it to the Compliance Department BEFORE making a purchase, sale or transfer of a security, or exercising an option.

WAIT FOR APPROVAL. The Compliance Department will review the form and, as soon as practicable, determine whether to authorize the transaction.

EXECUTE BEFORE THE APPROVAL EXPIRES. A preclearance approval for a transaction is only effective on the day you receive approval (regardless of time).

If your trade is not fully executed by the end of the day, you must obtain a new preclearance approval before your order (or the unfilled portion of your order) can be executed. Accordingly, limit orders and "good 'til cancelled" instructions must be withdrawn by the end of the day, unless a new approval is obtained.

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EXCEPTIONS Covered Persons do NOT need to preclear the following types of transactions. Please see the "Transaction Requirement Matrix" in Appendix H for a summary of the preclearance requirements.

OPEN-END INVESTMENT COMPANY SHARES (MUTUAL FUNDS), INCLUDING FUNDS OFFERED WITHIN A 529 COLLEGE SAVINGS PLAN. Purchases and sales of mutual funds do not require preclearance and are not subject to the reporting requirements of Section 5 However, certain holding period requirements apply to open-end registered investment companies advised or subadvised by UBS Global AM (see Section 4.3 herein).

UNIT INVESTMENT TRUSTS (UITS). Purchases and sales of unit investment trusts do not require preclearance.

EXCHANGE TRADED FUNDS (ETFS). Purchases and sales of Exchange Traded Funds that are based on a broad-based securities index do not require preclearance. Transactions in all other ETFs, including industry or sector-based funds, must be precleared.

CERTAIN CORPORATE ACTIONS. Acquisitions of securities through stock dividends, dividend reinvestments, stock splits, reverse stock splits, mergers, consolidations, spin-offs, or other similar corporate reorganizations or distributions generally applicable to all holders of the same class of securities do not require preclearance.

RIGHTS. Acquisition of securities through the exercise of rights issued by an issuer PRO RATA to all holders of a class of its securities, to the extent the rights were acquired through the rights offering and not through the secondary market.

UBS SAVINGS AND INVESTMENT PLAN AND THIRD PARTY 401(k) PLANS. Any transaction in these plans is generally exempt from the preclearance requirements, unless the plan permits a Covered Person to trade individual securities (E.G., shares of stock), in which case such transactions are subject to preclearance.

UBS AG SECURITIES. Transactions by Covered Persons in UBS securities(8) generally are exempt from the preclearance requirements. Covered Persons who are deemed company insiders are not eligible for this exception and must preclear all purchases and sales of UBS securities. In addition, any Covered Person who possesses material non-public information regarding UBS AG is prohibited from engaging in transactions in UBS securities.

FUTURES AND OPTIONS ON CURRENCIES AND BROAD BASED INDICES. A Covered Person is not required to preclear futures and options on currencies or on a broad-based securities index.(9)

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(8) Note that Independent Directors of a mutual fund managed or advised by a UBS Global AM Advisor are prohibited from purchasing or otherwise acquiring or holding any security issued by UBS.

(9) The term "Broad-based Securities Index" is not easily defined. Generally, a Broad-based Securities Index covers a wide range of companies and industries. Only futures and options on a Broad-based Securities Index are exempt from the preclearance requirement. The Compliance Department will maintain a list of approved Broad-based Securities Indices and, if you are unsure as to whether a particular index qualifies under the Code, you should consult the Compliance Department.

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TRANSACTIONS IN DISCRETIONARY ACCOUNTS. Except under certain circumstances, a Covered Person is not required to preclear transactions in a Discretionary Account.

NOTE: All transactions, including those exempt from the preclearance requirement (other than mutual funds), are subject to the reporting requirements (See Section 5).

5.2 FREQUENCY

In order to ensure that Covered Persons are not distracted from servicing Advisory Clients, Covered Persons should not engage in more than 20 transactions per month. (NOTE: This includes De Minimis Transactions but does not include repetitive transactions such as rolling futures contracts.)

5.3 HOLDING PERIOD

If a Covered Person is required to preclear a transaction in a security, he/she also must hold the security for 30 days.

As a result, Covered Persons may not:

- buy a security or Related Investment within 30 days after selling that security or Related Investment; or

- sell a security or Related Investment within 30 days after purchasing that security or Related Investment.

RELATED INVESTMENTS are investments whose value is based on or derived from the value of another security, including convertible securities and derivative securities such as options, futures and warrants.

EXCEPTIONS.

a. UITs and ETFs, although not subject to preclearance, must be held for at least 30 days.

b. Shares of registered open-end investment companies advised or sub-advised by UBS Global AM must be held for a least 30 days.

c. If a security has experienced a loss equal to at least 10% of the purchase price, the Covered Person may sell the security in less than 30 days, with prior approval from the Compliance Department.

d. If you receive restricted stock as part of your compensation, you are not required to hold it for 30 days after it vests.

5.4 LOCKOUT PERIOD

Covered Persons are prohibited from knowingly buying, selling or transferring any security within five calendar days BEFORE OR AFTER that same security, or an Related Investment, is

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purchased or sold on behalf of an Advisory Client. PERSONAL TRADES IN SECURITIES THAT ARE EFFECTED IN CLOSE PROXIMITY TO THE ADDITION OR DELETION OF SUCH

SECURITY TO OR FROM A MODEL WILL BE CLOSELY SCRUTINIZED.

EXCEPTIONS:

(i) DE MINIMIS EXEMPTION. Transactions in equity securities issued by a company with a market capitalization of $3 billion or greater and where the total number of shares purchased or sold by a Covered Person is 1000 or less are exempt from the lockout period requirement. In the case of permitted options or futures on equity securities issued by such a company, the order must be for 10 or fewer contracts.

NOTE: Covered Persons are still required to follow the preclearance procedures. Transactions executed under the De Minimis Exemption for a specific security are limited to a cumulative maximum of 1000 shares over a 30-day period. The De Minimis Exemption cannot be used as a means to violate the spirit of the Code, and the Compliance Department may revoke a Covered Person's right to use the Exemption if it determines a pattern of abuse.

(ii) INVESTMENT PERSONNEL.(10) The De Minimis Exemption does not apply to Investment Personnel who trade a security on the same day as an Advisory Client served by that Group but may be used at all other times.

(iii) BROAD-BASED SECURITIES INDICES. A Covered Person's knowledge that a security will be purchased or sold by an account managed with a quantitative model that tracks the performance of a Broad-Based Securities Index, such as the S&P 500 or the Russell 1000, does NOT trigger the lockout period. Futures and options transactions on Broad-based Securities Indices or currencies also are exempt from the lockout period.

NOTE: The De Minimis Exemption does NOT apply to purchases and sales of limited partnership interests or other privately placed securities.

5.5 PROHIBITED TRANSACTIONS

UBS Global AM views the following transactions as especially likely to create conflicts with Advisory Client interests. Covered Persons are therefore prohibited from engaging in the following transactions:

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(10) "Investment Personnel" include Covered Persons who are portfolio managers, research analysts, traders and any other person who, in connection with his or her regular functions or duties, makes or participates in making recommendations to clients regarding the purchase or sale of securities or has functions or duties relating to the making of recommendations regarding purchases and/or sales.

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a. NAKED SHORT SALES. Covered Persons are prohibited from entering into a net short position with respect to any security that is held by an Advisory Client.

b. FUTURES. Purchase or sale of futures that are not traded on an exchange, as well as options on any type of futures (exchange-traded or not) are prohibited. This prohibition does not apply to currency forwards (futures or otherwise).

5.6 INITIAL PUBLIC OFFERINGS

Covered Persons are prohibited from acquiring securities in an initial public offering (other than a new offering of a registered open-end investment company).

In the event that a Covered Person holds securities in a company that has announced that it will engage in an IPO, he or she must immediately notify the Compliance Department.

5.7 INVESTMENT IN PARTNERSHIPS AND OTHER PRIVATE PLACEMENTS

Covered Persons are permitted to acquire interests in general partnerships and limited partnerships, and to purchase privately placed securities, provided they obtain prior approval from the Compliance Department. Once approved, additional capital investments (other than capital calls related to the initial approved investment) require a new approval. Covered Persons requesting permission must complete the PRIVATE PLACEMENT REQUEST FORM (SEE APPENDIX D).

5.8 OPTIONS

a. CALL OPTIONS

A Covered Person may purchase a call option on an individual security or ETF only if the call option has a period to expiration of at least 30 days from the date of purchase and the Covered Person either (1) holds the option for at least 30 days prior to sale or (2) holds the option AND, if exercised, the underlying security, for a total period of 30 days. (Similarly, if you choose to exercise the option, you may count the period during which you held the call option toward the 30-day holding period for the underlying security or ETF.)

A Covered Person may sell ("write") a call option on an individual security or ETF ONLY if he/she has held the underlying security (in the corresponding quantity) for at least 30 days (Covered Call).

b. PUT OPTIONS

A Covered Person may purchase a put option on an individual security or ETF only if the put option has a period to expiration of at least 30 days from the date of purchase and the Covered Person holds the put option for at least 30 days. If a Covered Person purchases a put on a security he/she already owns (Put Hedge), he/she may include the time he/she held the underlying security towards the 30-day holding period for the put.

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A Covered Person may NOT sell ("write") a put on an individual security or ETF.

c. OPTIONS ON BROAD-BASED INDICES

Covered Persons may purchase or sell an option on a Broad-based Securities Index ("Index Option") only if the option has a period to expiration of at least 30 days from the date of purchase or sale. A Covered Person may buy or sell an Index Option with a period to expiration of less than 30 days from the date of purchase or sale to close out an open position only if he/she has held the position being closed out for at least 30 days or another exception under Section 4.3 (Holding Period) applies.

NOTE: COVERED PERSONS MUST OBTAIN PRECLEARANCE APPROVAL TO EXERCISE AN OPTION ON AN INDIVIDUAL SECURITY OR ETF AS WELL AS TO PURCHASE OR SELL SUCH AN OPTION.

5.9 FUTURES

A Covered Person may purchase and sell exchange-traded futures and currency forwards.

Purchases and sales of futures contracts on an individual security are subject to the lockout period (See Section 4.4 above). Purchases and sales of all futures contracts are subject to the holding period requirement (See Section 4.3 above).

NOTE: Covered Persons must obtain preclearance approval to purchase or sell futures contracts on an individual security.

6. REPORTING AND CERTIFICATION REQUIREMENTS

6.1 INITIAL HOLDINGS REPORT AND CERTIFICATION

Within 10 days after a Covered Person commences employment, he/she must certify that he/she has read and understands the Code, that he/she will comply with its requirements, and that he/she has disclosed or reported all personal investments and accounts required to be disclosed or reported. INTERESTED DIRECTORS OTHER THAN COVERED PERSONS ARE ALSO REQUIRED TO MAKE THIS REPORT

WITHIN 10 DAYS OF BECOMING AN INTERESTED DIRECTOR OF A FUND.

EXCEPTIONS: Covered Persons are NOT required to report holdings in:

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- U.S. Registered Open-End Mutual Funds that are not advised or sub-advised by UBS Global AM (see Appendix A for a list of funds advised or subadvised by UBS Global AM).	- U.S. Government Securities(11)
- Money Market Instruments(12)	- Accounts over which a Covered Person has no direct or indirect influence or control

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(11) Covered Persons are required to report transactions in Fannie Maes and Freddie Macs.

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However, Covered Persons are required to include in initial and annual holdings reports the name of any broker-dealer or bank with which the Covered Person has an account in which ANY securities are held for his/her direct or indirect benefit.

6.2 QUARTERLY TRANSACTIONS REPORT FOR COVERED PERSONS AND INTERESTED DIRECTORS

Within 10 days of the end of each calendar quarter, Covered Persons must file a report of all securities and U.S.-registered open-end mutual fund transactions for which UBS Global AM serves as adviser or subadviser on a Quarterly Transactions Report unless a duplicate confirmation or similar document was sent to the Compliance Department contemporaneously with the transaction. In addition, Covered Persons are required to report any account opened during the quarter in which securities were held during the quarter (this includes accounts that hold those securities described above in Section 5.1).

6.3 QUARTERLY TRANSACTIONS REPORT FOR INDEPENDENT DIRECTORS

Directors of the Funds who are not affiliated with a UBS Global AM Advisor ("Independent Directors") must file a Quarterly Transactions Report with the Compliance Department only if the Independent Director knew, or in the ordinary course of fulfilling his/her official duties as a director of a Fund should have known, that during the 15 days immediately preceding or following the date of a securities transaction in the Independent Director's Covered Accounts that:

- the security was purchased or sold by a Fund; or

- a purchase or sale of the security was considered for a Fund.

Independent Directors must file these reports within TEN DAYS of the end of the calendar quarter in which the trade occurred.

6.4 ANNUAL CERTIFICATION FOR COVERED PERSONS, INTERESTED DIRECTORS AND INDEPENDENT DIRECTORS

Annually, Covered Persons, Interested Directors and Independent Directors must certify that they have read and understand the Code, that they have complied with its requirements during the preceding year, and that they have disclosed or reported all personal transactions/holdings required to be disclosed or reported.

7. ADMINISTRATION AND ENFORCEMENT

7.1 REVIEW OF PERSONAL TRADING INFORMATION

All information regarding a Covered Person's personal investment transactions, including the reports required by Section 5, will be reviewed by the Compliance Department.

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(12) Money Market Instruments include bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt instruments, including repurchase agreements.

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All such information may also be available for inspection by the Boards of Directors of the Funds, the Chief Executive Officer and Legal Counsel of UBS Global AM, any party to which any investigation is referred by any of the foregoing, a Covered Person's supervisor (where necessary), the Securities and Exchange Commission, any self-regulatory organization of which UBS Global AM is a member, and any state securities commission.

7.2 ANNUAL REPORTS TO MUTUAL FUND BOARDS OF DIRECTORS AND UBS GLOBAL AM CEOS

The Compliance Department will review the Code at least annually in light of legal and business developments and experience in implementing the Code. The Compliance Department will prepare an annual report to the Boards of Directors of the Funds and the CEO of UBS Global AM that:

- describes issues that arose during the previous year under the Code, including, but not limited to, information about material Code violations and sanctions imposed in response to those material violations;

- recommends changes in existing restrictions or procedures based on the experience implementing the Code, evolving industry practices, or developments in applicable laws or regulations; and

- certifies to the Boards that procedures have been adopted that are designed to prevent Access Persons(13) from violating the Code.

7.3 SANCTIONS AND REMEDIES

If the Compliance Department determines that a Covered Person or Fund Director has violated the Code, it may, in consultation with senior management, impose sanctions and take other actions deemed appropriate, including issuing a letter of education, suspending or limiting personal trading activities, imposing a fine, suspending or terminating employment, and/or informing regulators if the situation warrants.

As part of any sanction, the Compliance Department may require the violator to reverse the trade(s) in question and forfeit any profit or absorb any loss from the trade. Senior management will determine the appropriate disposition of any money forfeited pursuant to this section.

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(13) "Access Person" is generally defined under Rule 17j-1 under the Investment Company Act to include any director or officer of a fund or its investment adviser, and any employee of a fund's investment adviser who, in connection with his or her regular functions or duties, participates in the selection of a fund's portfolio securities or who has access to information regarding a fund's future purchases or sales of portfolio securities.

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RESPONSIBLE PARTIES

The following parties will be responsible for overseeing the implementation and enforcement of this policy:

- THE ADMINISTRATOR OF THE CODE OF ETHICS IS RESPONSIBLE FOR OPERATING THE CODE

- THE CHIEF COMPLIANCE OFFICER AND HIS/HER DESIGNEES ARE RESPONSIBLE FOR TESTING AND MONITORING

DOCUMENTATION

Monitoring and testing of this policy will be documented in the following ways:

- ANNUAL CERTIFICATION BY EMPLOYEES CERTIFYING THAT THEY HAVE RECEIVED AND REVIEWED THIS POLICY

- ANNUAL REPORT OF THE CHIEF COMPLIANCE OFFICER REGARDING THE EFFECTIVENESS OF THIS POLICY

- SPOT CHECKING OF INITIAL HOLDING REPORTS AND STATEMENTS RECEIVED FROM BROKER-DEALERS FOR VIOLATIONS OF THIS POLICY.

COMPLIANCE DATES

The following compliance dates should be added to the Compliance Calendar:

- ANNUAL CERTIFICATION BY EMPLOYEES CERTIFYING THAT THEY HAVE RECEIVED AND REVIEWED THIS POLICY

- QUARTERLY TRANSACTIONS REPORTS FOR COVERED PERSONS AND INTERESTED DIRECTORS

OTHER POLICIES

Other policies that this policy may affect include:

- INSIDER TRADING POLICY

- EMPLOYEES SERVING ON THE BOARD OF DIRECTORS POLICY

- EMPLOYEES SERVING ON THE CREDITORS COMMITTEE POLICY

- GIFTS, GRATUITIES AND ENTERTAINMENT POLICY

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- POLITICAL CONTRIBUTIONS POLICY

Other policies that may affect this policy include:

- INSIDER TRADING POLICY

- EMPLOYEES SERVING ON THE BOARD OF DIRECTORS POLICY

- EMPLOYEES SERVING ON THE CREDITORS COMMITTEE POLICY

- GIFTS, GRATUITIES AND ENTERTAINMENT POLICY

- POLITICAL CONTRIBUTIONS POLICY

DISCLOSURES

The following disclosures are aligned with this policy:

- FORM ADV

- REQUESTS FOR PROPOSALS

The following procedures have been adopted by the investment companies advised by UBS Global AM pursuant to Rule 17j-1 under the Investment Company Act

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APPENDIX A

LIST OF FUNDS

The names listed in italics are the Trust names and the indented names are the fund names within each Trust.

UBS INDEX TRUST
    UBS S&P 500 Index Fund

UBS INVESTMENT TRUST
UBS Tactical Allocation Fund

UBS SERIES TRUST
Tactical Allocation Portfolio

THE UBS FUNDS
UBS Emerging Markets Debt Fund
UBS Emerging Markets Equity Fund
UBS Global AM Allocation Fund
UBS Global AM Bond Fund
UBS Global AM Equity Fund
UBS High Yield Fund
UBS International Equity Fund
UBS Real Estate Equity Fund
UBS U.S. Allocation Fund
UBS U.S. Bond Fund
UBS U.S. Large Cap Equity Fund
UBS U.S. Large Cap Growth Fund
UBS U.S. Large Cap Value Equity Fund
UBS U.S. Small Cap Equity Fund
UBS U.S. Small Cap Growth Fund

UBS RELATIONSHIP FUNDS
UBS Corporate Bond Relationship Fund
UBS Defensive High Yield Relationship Fund
UBS Emerging Markets Debt Relationship Fund
UBS Emerging Markets Equity Relationship Fund
UBS Enhanced Yield Relationship Fund
UBS Global AM Aggregate Bond Relationship Fund
UBS Global AM Securities Relationship Fund
UBS High Yield Relationship Fund
UBS International Equity Relationship Fund
UBS Opportunistic Emerging Markets Debt Relationship Fund
UBS Opportunistic High Yield Relationship Fund
UBS Short Duration Relationship Fund
UBS Short-Term Relationship Fund
UBS U.S. Bond Relationship Fund
UBS U.S. Cash Management Prime Relationship Fund

<Page>

UBS U.S. Core Plus Relationship Fund
UBS U.S. Equity Relationship Fund
UBS U.S. Intermediate Cap Relationship Fund
UBS U.S. Large Cap Equity Relationship Fund
UBS U.S. Securitized Mortgage Relationship Fund
UBS U.S. Small Cap Equity Relationship Fund
UBS U.S. Treasury Inflation Protected Securities Relationship Fund
UBS U.S. Value Equity Relationship Fund

UBS PACE SELECT ADVISORS TRUST
UBS PACE Global Fixed Income Investments
UBS PACE Government Securities Fixed Income Investments
UBS PACE Intermediate Fixed Income Investments
UBS PACE International Emerging Markets Equity Investments
UBS PACE International Equity Investments
UBS PACE Large Co Growth Equity Investments
UBS PACE Large Co Value Equity Investments
UBS PACE Municipal Fixed Income Investments
UBS PACE Small/Medium Co Growth Equity Investments
UBS PACE Small/Medium Co Value Equity Investments
UBS PACE Strategic Fixed Income Investments

CLOSED-END FUNDS
Fort Dearborn Income Securities, Inc. (FTD)
Global High Income Dollar Fund Inc. (GHI)
Insured Municipal Income Fund Inc. (PIF)
Investment Grade Municipal Income Fund Inc.(PPM)
Managed High Yield Plus Fund Inc. (HYF)
Strategic Global Income Fund, Inc. (SGL)
EXCHANGE TRADED FUNDS (ETF's)

FRESCO INDEX SHARES FUNDS

Fresco Dow Jones STOXX 50 Fund
Fresco Dow Jones EURO STOXX 50 Fund

FUNDS SUBADVISED BY UBS GLOBAL ASSET MANAGEMENT

Allmerica Core Equity Fund - Large Value
AXP Partners Small Cap Growth Fund
BB&T International Equity Fund
Enterprise Growth & Income Portfolio (Enterprise Accumulation Trust)
Enterprise Growth and Income Fund (Enterprise Group of Funds)
Enterprise Strategic Allocation Fund (Enterprise Group of Funds)
Guardian UBS Large Cap Value Fund
Guardian UBS Small Cap Value Fund
Guardian UBS VC Large Cap Value Fund
Guardian UBS VC Small Cap Value Fund

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ING UBS Tactical Asset Allocation Portfolio
ING UBS U.S. Balanced Portfolio
JPMorgan Multi-Manager Small Cap Growth Fund
Lincoln Variable Insurance Products Trust - Global Asset Allocation Fund
Manulife Global Allocation Trust
MTB (formerly Vision) International Equity Fund
Ohio National Small Cap Growth
Principal Partners Small Cap Growth Fund II
Principal Small Cap Growth Fund, Inc.
Principal Variable Contracts Fund, Inc.
Saratoga Health & Biotechnology Portfolio

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APPENDIX B

UBS GLOBAL ASSET MANAGEMENT
TRADE REQUEST FORM

(PLEASE COMPLETE A TRADE REQUEST FOR EACH TRANSACTION)

I hereby request permission to / / BUY / / SELL / / TRANSFER (CHECK ONE) the specified security in the company indicated below for my own account or other account in which I have a beneficial interest (direct or indirect) or legal title:

Account Number:_________________________   Broker:_________________________

Name of Security:_______________________   Ticker Symbol:__________________

Number of shares, units or contracts or face amount of bonds:______________

I have read the current Code of Ethics and believe that the above transaction complies with its requirements.

To the best of my knowledge,

(i) no Advisory Client has purchased or sold the security listed above during the last five days;

(ii) the security indicated above is not currently being considered for purchase or sale by any Advisory Client; and

(iii) the requested transaction will not result in a misuse of inside information or in any conflict of interest or impropriety with regard to any Advisory Client.

Additionally: (Please check any or all that apply)

This investment is being purchased or sold in a private placement (if so, please complete the "Private Placement Request Form").

The proposed purchase of the above listed security, together with my current holdings, will result in my having a beneficial interest in more than 5% of the outstanding voting securities of the company. If this item is checked, state the beneficial interest you will have in the company's voting securities after the purchase. ___________

I SHALL DIRECT MY BROKER TO PROVIDE A COPY OF A CONFIRMATION OF THE REQUESTED TRANSACTION TO THE COMPLIANCE DEPARTMENT WITHIN 10 DAYS OF THE TRANSACTION.

PERMISSION IS EFFECTIVE ONLY ON THE DAY YOU RECEIVE APPROVAL.

------------------------------	----------------------	------------------------
EMPLOYEE SIGNATURE	PRINT NAME	DATE SUBMITTED

COMPLIANCE ONLY

Reviewed by: ------------------------------------ APPROVED DENIED

Date: -----------------------

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APPENDIX C

DATE:

TO: Compliance Department

FROM:

SUBJECT: OUTSIDE ACCOUNT REQUEST FORM

A Covered Person requesting an exception to maintain or establish an outside account must complete and submit this memorandum to the Compliance Department. Once reviewed by Compliance, the Covered Person will be notified of the terms (if any) of the approval or denial. PLEASE BE SURE TO ATTACH ANY REQUIRED DOCUMENTATION PRIOR TO SUBMITTING THIS FORM TO THE COMPLIANCE DEPARTMENT.

NOTE: Except for the limited exceptions noted in the UBS Global Asset Management Code of Ethics, all Covered Accounts must be maintained at an Authorized Broker(1). A Covered Account is defined as: any account in which a Covered Person has a beneficial interest, and any account in which a Covered Person has the power, directly or indirectly, to make investment decisions and/or where the Covered Person acts as custodian, trustee, executor or a similar capacity.

1. Name of Firm(s):____

2. Title(2) of Account(s):____

3. Type of Account(s):____

4. Account Number(s)(3)____

5. Exceptions may only be granted in limited circumstances. Please check those that apply:

/ / A Covered Person is employed by another NYSE/NASD/NFA member firm.

/ / A previously acquired investment involves a unique securities product or service that cannot be held in an account with an Authorized Broker.

/ / The funds are placed directly with an independent investment advisory firm under an arrangement whereby the Covered Person is completely REMOVED from the investment decision-making process. (Please attach a copy of the investment management agreement and other documentation granting discretionary authority)

/ / Other (please explain):

----

(1) See Appendix I in the Code of Ethics for the current list of Authorized Brokers.

(2) Name as it appears on the account.
(3) If this request is to maintain an existing account(s), please list the account number(s). If this request is to establish new account(s) for which you do not have the account number(s), please write "New Account."

<Page>

6. A copy of the account(s) statement(s) is attached to this memo.

/ / YES / / NO / / ACCOUNT NOT OPEN YET (If the account exists but no statement is attached, please attach additional documentation that explains why)

Any other pertinent information that would be helpful in determining whether the request to maintain or establish an outside account should be approved:

____

____

____

EMPLOYEE COMPLIANCE

Name: ------------------------------------ Name: --------------------------------

(PLEASE PRINT) (PLEASE PRINT)

Dept. --------------------------- Signature ------------------------------------

Signature: --- Date ---------------------

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APPENDIX D

UBS GLOBAL ASSET MANAGEMENT COMPLIANCE DEPARTMENT

51 WEST 52nd STREET, 14TH FLOOR

NEW YORK, NY 10019-6114

(FAX #: 212 882-5472)

TO: Compliance Department

FROM:

DATE:

RE: PRIVATE PLACEMENT REQUEST FORM

As provided in section 4.7 of the UBS Global Asset Management Code of Ethics, if a Covered Person wants to participate in a private placement or a limited partnership, he/she must complete this form and obtain the required approvals prior to investing. A COVERED PERSON MAY NOT PARTICIPATE IN ANY PARTNERSHIP OR PRIVATE PLACEMENT UNTIL HE/SHE RECEIVES WRITTEN PERMISSION FROM THE COMPLIANCE DEPARTMENT. ORAL DISCUSSIONS DO NOT CONSTITUTE APPROVAL UNDER ANY CIRCUMSTANCES.

INVESTMENT INFORMATION:

1. Name of proposed investment:_________________ Date of investment:__________

2. Nature of investment:____

3. Amount to be invested:_____________ # of shares:__________ % ownership: ____

4. Describe terms of investment:

Equity or debt? _____________ Open-ended or specific maturity date? ____________

Further investment contemplated? ________________ Amount? _____________________

5. Was this investment offered to you due to your affiliation with UBS Global AM? ___________________

6. Do you have a position as officer of the company or other duties in connection with the investment? ____

Do you give investment advice to the company or any affiliate of the company? If so, please describe:

____

<Page>

8. Are you informed or consulted about investments made by the company?

Describe: ____

How frequently will you receive statements/communications regarding the investment?

____

Is the company privately/publicly held? ____

If privately held, are you aware of any plan to bring the company public?

____

Have you informed the company that you are a "restricted person" in the event of an IPO of securities? ________________________

Describe any connection(s) between the investment and UBS Global AM:

____

____

14. To your knowledge, are there any UBS Global AM clients for whom this is an appropriate investment? ____

15. Describe any client connections to this investment: ________________________

Are you aware of any conflict between your duties at UBS Global AM and this investment?

____

Please attach any relevant reports/statements you can provide which describe this investment.

To the best of my knowledge, the information provided above is accurate. I will notify the Compliance Department immediately of any material changes to the information provided above.

Employee Name: --

Signature: --

Date: ---------------------------------------

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COMPLIANCE DEPARTMENT APPROVAL:

Based upon the Covered Person's responses on this Private Placement Request Form and any other information noted below* or attached hereto, the Compliance

Department hereby APPROVES the Covered Person's request to participate because the investment appears to present no conflict of interest with his/her duties to UBS Global AM Advisory Clients.

Based upon the Covered Person's responses on this Private Placement Request Form and any other information noted below* or attached hereto, the Compliance Department hereby DISAPPROVES the Covered Person's request to purchase the private placement.

*PLEASE PROVIDE ANY ADDITIONAL RELEVANT INFORMATION WITH RESPECT TO YOUR APPROVAL OF THE REQUEST TO PURCHASE THIS PRIVATE PLACEMENT:

____

____

____

Compliance Department

Name: ---
(Please Print)

Signature: --

Date: ---

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APPENDIX E

UBS GLOBAL ASSET MANAGEMENT

INVESTMENT CLUB PRE-APPROVAL FORM

DATE:____________________

Personal Information:

Name:____
(please print)

Department:____

Title:____

Investment Club Information:
(Please complete a separate form for each club)

Name of Investment Club:____

Are you an officer of the club? If so, please state your position.

____

Are you on an investment decision-making committee or are you involved in making security/investment transaction recommendations for the club independent of a committee? Please explain.

____

____

Certification:

I understand that my activities with regard to the above investment club must comply with UBS Global Asset Management's Insider Trading Policies and the Code of Ethics. I will direct the investment club to send duplicate statements to the Legal and Compliance Department.

<Page>

APPENDIX F

BRINSON ADVISORS

MEMORANDUM

Date:

To: Employee

cc: XXXXX

From: Compliance Department

Re: Employee Discretionary Account Attestation

This memo outlines the agreed process for advisory accounts with ______________________. _______________________ has discretion over the investment management of your account(s) with them and has supplied a written summary of the current investment policy.

If you discuss specific strategies, industries or securities with them, you agree to pre-clear any related trades that result from your discussion. As long as no discussions are held between you and _______________________relating to specific investments in your account(s) in advance of a transaction, you will not be required to pre-clear your trades. You will, however, continue to be required to submit duplicate confirms and Quarterly Transactions Reports.

In addition, if the nature of your account(s) changes from discretionary to some other type, you will immediately advise the Compliance Department.

Please acknowledge this understanding by signing the bottom of this memo.

Compliance

UBS Global AM Employee's Acknowledgment

Agreed: ____ Date: ___________

Independent Investment Advisor's Acknowledgement

Agreed: ____ Date: ___________

Signature: ____ Date: ___________

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APPENDIX G

POLICIES AND PROCEDURES FOR

CONSULTANTS AND TEMPORARY EMPLOYEES

Consultants and temporary employees who are employed for LESS THAN 30 DAYS, but who have access to UBS Global AM's trading information are subject to the following sections of the Code:

Conflicts of Interest

Regardless of the period of employment, Consultants and temporary employees are subject to the same fiduciary standards as all other Covered Persons. Consequently, they must ensure that they do not put their interests ahead of Advisory Clients' and avoid making personal decisions based on any knowledge/information they acquire as a result of their employment with UBS Global AM. For further information, please refer to the Introduction to this Code of Ethics and/or contact the Compliance Department.

SECTION 3.2 Report Covered Accounts to Compliance Consultants and temporary employees are required to disclose the name, account number, and firm at which he/she maintains a brokerage account at the time he/she is hired.

SECTION 3.3 Copy the Compliance Department on Trade Confirmations Consultants and temporary employees are only required to provide duplicate trade confirmations for each transaction executed during the period of employment.

SECTION 4 Trading Restrictions Consultants and temporary employees are required to preclear all trades and all transactions are subject to the holding periods, lockout period requirements and other restrictions outlined in this section.

SECTION 5 Reporting and Certification Requirements Consultants and temporary employees who wish to trade options are required to submit a list of all personal investments holdings (Initial Holdings Report) at the time they are hired.

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APPENDIX H

TRANSACTION REQUIREMENT MATRIX

The following chart contains many of the common investment instruments, though it is not all inclusive. Please refer to the Code of Ethics for additional information.

<Table>
<Caption>

TRANSACTION	PRECLEARANCE REQUIRED	REPORTING REQUIRED
<S>	<C>	<C>
Mutual		
Mutual Funds (Open-End) not advised or subadvised by UBS Global AM	No	No
Mutual Funds (Closed-End)	Yes	Yes
Mutual Funds (Closed-End) not advised or subadvised by UBS Global AM	No	Yes
Unit Investment Trusts	No	Yes
Variable & Fixed Annuities	No	No
Equities		
UBS Stock	No	Yes
Common Stocks	Yes	Yes
ADRs	Yes	Yes
DRIPS	No	Yes
Stock Splits	No	Yes
Rights	No	Yes
Stock Dividend	No	Yes
Warrants (Exercised)	Yes	Yes
Preferred Stock	Yes	Yes
IPOs	Prohibited	
Options (Stock)		
UBS (stock options)	Yes	Yes
Common stocks	Yes	Yes
Exchange Traded Funds	Yes	Yes
Fixed Income		
US Treasury	No	No
CDs	No	No
Money Market	No	No
GNMA	No	No
Fannie Maes	Yes	Yes
Bonds		
US Government	No	No

Corporate	Yes	Yes
Convertibles (converted)	Yes	Yes

</Table>

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<Table>
<Caption>

TRANSACTION	PRECLEARANCE REQUIRED	REPORTING REQUIRED
Municipal;	Yes	
Private Placements	Yes	Yes
Limited Partnerships	Yes	Yes
Exchange-Traded Funds		
Broad Based ETFs(1)	No	Yes
Industry or Sector Specific ETFs	Yes	Yes
All other Exchange Traded Funds	Yes	Yes

</Table>

----

(1) These are ETFs that are broadly diversified and based on a broad index.

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APPENDIX H

LIST OF AUTHORIZED BROKERS

1. UBS Financial Services Inc.

2. Fidelity Investments

3. Charles Schwab & Company

4. TD Waterhouse Investor Services, Inc.

<Page>

EXHIBIT No. EX-99.Q.1

POWER OF ATTORNEY

I, Walter E. Auch, Trustee of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Trustee of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ Walter E. Auch ------------------------ Walter E. Auch	Trustee	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, Frank K. Reilly, Chairman and Trustee of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Chairman and Trustee of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>

<Caption>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ Frank K. Reilly ------------------------ Frank K. Reilly	Trustee	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, Edward M. Roob, Trustee of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Trustee of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ Edward M. Roob ------------------------ Edward M. Roob	Trustee	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, Adela Cepeda, Trustee of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Trustee of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ Adela Cepeda ------------------------ Adela Cepeda	Trustee	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, J. Mikesell Thomas, Trustee of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Trustee of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
<S>	<C>	<C>
/s/ J. Mikesell Thomas ------------------------ J. Mikesell Thomas	Trustee	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, Joseph T. Malone, Treasurer and Principal Accounting Officer of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as Treasurer and Principal Accounting Officer of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
/s/ Joseph T. Malone ------------------------ Joseph T. Malone	Treasurer and Principal Accounting Officer	December 14, 2004

</Table>

<Page>

POWER OF ATTORNEY

I, Joseph A. Varnas, President of The UBS Funds, UBS Relationship Funds and SMA Relationship Trust (each a "Trust"), hereby constitute and appoint Mark F. Kemper, Keith A. Weller, James Capezzuto, Mary Capasso, Michael Calhoun, Stephen Fleischer, Bruce G. Leto, Mark A. Sheehan and Jana L. Cresswell, and each of them singly, my true and lawful attorneys, with full power to sign for me, in my name and in my capacity as President of the Trusts, any amendments to the current registration statements of the Trusts on Form N-1A (as filed with the Securities and Exchange Commission) and any registration statements of the Trusts on Form N-14, or any amendments thereto, to be filed with the Securities and Exchange Commission, and all instruments necessary or desirable in connection therewith, and hereby ratify and confirm my signature as it may be signed by said attorneys to these registration statements, amendments to such registration statements and other instruments.

<Table>
<Caption>

SIGNATURE	TITLE	DATE
/s/ Joseph A. Varnas ------------------------ Joseph A. Varnas	President	December 14, 2004

</Table>