



STATE OF CONNECTICUT
GOVERNOR DANIEL P. MALLOY

GOV. MALLOY: UBS COMMITS TO CONNECTICUT THROUGH 2021

(HARTFORD, CT) – Governor Dannel P. Malloy today announced UBS and the state have amended their partnership agreement, re-affirming UBS’s commitment to the state through 2021.

“This extended agreement clears up any doubt about the company’s intentions in Connecticut and makes sense for UBS, Stamford and the entire state, especially given how important the financial services sector is to the state and local economies,” said Governor Malloy. “UBS has been a valued employer in a high-profile industry and a good corporate citizen in the state for many years, and that’s why maintaining this public-private partnership should be a top priority. Today’s announcement is about retaining quality jobs for Connecticut and reaffirming the state’s reputation as a leader in financial services.”

The amended partnership agreement with the state will extend the timeframe, incenting UBS to remain in the state until 2021 with no further financial outlay on the part of the state.

“We appreciate our partnership with Governor Malloy and the State of Connecticut and it remains an important market for UBS,” said Kathleen Lynch, COO, UBS Group Americas. “For more than a decade, UBS and our employees have been active members in communities from Stamford to Hartford, and we are pleased to continue our collaboration with this great state.”

Under the terms of the original loan from the Department of Economic and Community Development (DECD), the company received \$20 million which was fully forgivable if the company maintained 2,000 jobs for five years. In the extended agreement, the same \$20 million has the potential to be fully forgivable if the company continues to retain 2,000 jobs, with loan forgiveness based on the number of jobs retained in the state each year through 2021. At the end of each year between now and 2021, a job audit will determine the level of employment from which DECD will determine what percentage of forgiveness will be earned that year. If the company fails to meet the minimum employment obligation in any year, the related loan portion amount will be due and payable along with penalty of 7.5%.

“The new formula is a win-win proposition. It provides incentives for the company to retain employees in the state, while requiring repayment of a portion of the loan each year should jobs decline,” said DECD Commissioner Catherine Smith.

UBS, a leading global bank and wealth manager based in Switzerland, established offices in Stamford more than a decade ago. As one of larger financial services firms in the state, UBS helps to anchor the strong financial services cluster in Connecticut. As of 2014, the insurance and financial services sector employed 111,600, 7% of Connecticut’s total employment. Annual wages are 144% higher than the average wage in the state and the jobs making them particularly valuable to retain in the state.

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