

Reporting

SF (Lux) Sicav 1 –BMI Protected Global Growth Fund (USD)

Investment objective

The BMI Protected Global Growth Fund (the "Fund" or "BMI Global") is an open-ended fund designed to provide investors with protected participation in the growth potential of global stock markets via a combination of actively managed funds and cash whilst limiting the downside risk.

The Fund is designed to ensure that the investment should be worth at least 80% of the highest NAV achieved at any point in time over the life of the Fund*. Therefore, in order to achieve these objectives the participation in the basket of UBS Global Asset Management equity & fixed income funds (the 'Equity Component') can vary between 0% and 100%:

- As the value of the Equity Component rises the Fund will increase its exposure to the Equity Component;
- As the value of the Equity Component falls the Fund will decrease its exposure to the Equity Component in favour of cash;
- The maximum exposure to the Equity Component will be 100%;
- In extremely adverse conditions the minimum exposure to the basket of funds could be zero and therefore returns will reflect prevailing interest rates.

The Equity Component

The Fund returns are provided from a managed basket of UBS Global Asset Management funds (the Equity Component) and cash.

Initial Fund weightings:

• UBS (Lux) Key Selection Sicav - US Equities (USD) B	53%
• UBS (Lux) Equity Fund - Japan B	7%
• UBS (Lux) Equity Fund - Great Britain B	5%
• UBS (Lux) Key Selection Sicav - European Equities B	25%
• UBS (Lux) Equity Fund - Emerging Markets (USD) B	5%
• UBS (Lux) Equity Fund - Greater China B	5%

Every three months, funds can be dropped and added and the basket can be reweighted.

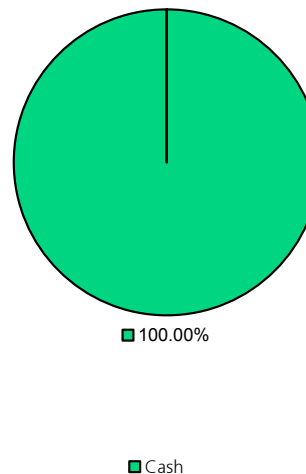
Current Theoretical* Fund weightings:

• UBS (Lux) Key Selection Sicav - US Equities (USD) B	35%
• UBS (Lux) Equity Fund - Japan B	7%
• UBS (Lux) Equity Fund - Great Britain B	11%
• UBS (Lux) Equity Fund - Emerging Markets (USD) B	10%
• UBS (Lux) Equity Fund - Euro Countries **	14%
• UBS (Lux) Equity Sicav - USA Growth B	8%
• UBS (Lux) Key Selection Sicav - Global Equities (USD) B	15%

*As there is zero allocation to the "Active Asset" ("Fund Units"), this shows the theoretical Fund weightings within the "Active Asset" if the Fund was not cashlocked

** Fund replaced due to merger

Exposure of the Fund* as at 30th December 2009



*As of 16th February 2009 the allocation to the "Active Asset" (or "Fund Units") within the "Dynamic Portfolio" was reduced down to zero. As of this date there is 100% allocation to the "Reserve Asset".

Valuation of the Fund as at end of December 2009

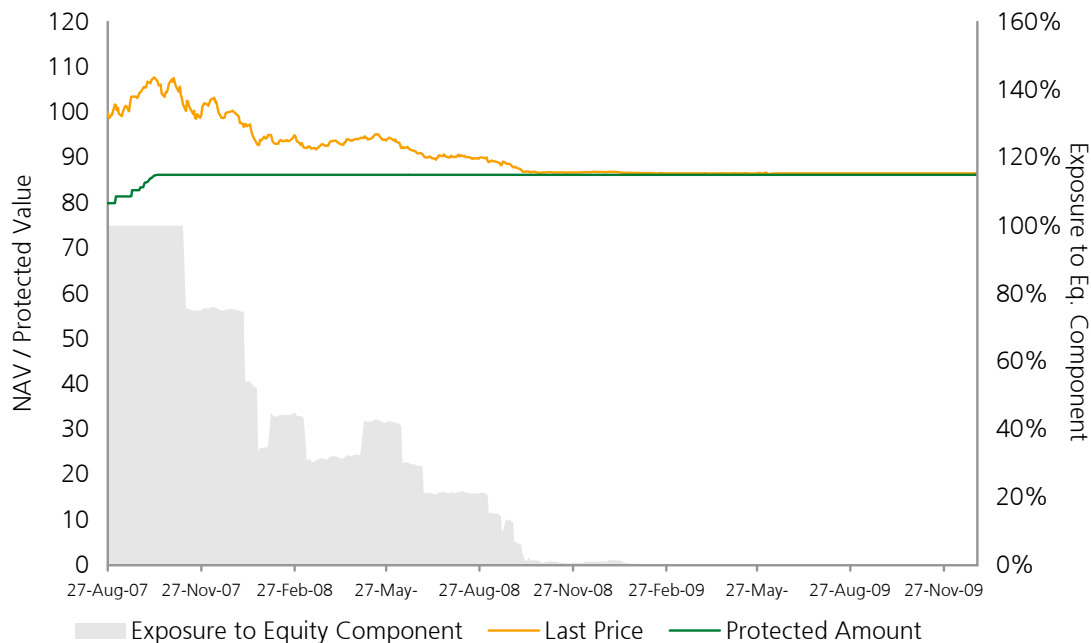
NAV	USD 86.58
Protected Value	USD 86.20
Year-to-date return	-0.30%
Return since launch	-13.42%
Annualised return since launch	-5.96%
Launch Date	27-Aug-07
Monthly performance	0.00%

Performance to end December 2009

The Fund NAV has fallen 13.42% since inception.
The Fund NAV has remained stable over the month.

SF (Lux) Sicav 1 – BMI Protected Global Growth Fund (USD)

Performance to end December 2009



Past performance is no guarantee of future trends or performance. Performance since launch (27 August 2007).

The Equity Component** (commentary from UBS Global AM):

- Global equity markets finished the year with a positive months performance. The equity component of the portfolio returning 3.32% in December.
- Global equity markets again performed positively in December, increasing 1.80% (in USD) over the month. UBS (Lux) Key Selection Sicav – Global Equities (USD) P-acc outperformed by 2.37% when compared to the benchmark (MSCI World). From the beginning of the year the Fund returned 40.82%, the benchmark returned 29.99%.
- The MSCI USA posted a gain of 2.01% in December. The UBS (Lux) Key Selection Sicav – US Equities (USD) P-acc again had a positive month in terms of stock selection and the Fund outperformed the benchmark (MSCI USA) by 1.56% over the month. From the beginning of the year the fund performed 33.70%, the benchmark returned 26.25%.
- US growth stocks performed better than general US stocks in December. The Russell 1000 Growth Index returned 3.05% vs. 2.01% of the MSCI USA. However, the relative performance of UBS (Lux) Equity Sicav – USA Growth (USD) P-acc was positive, with the Fund outperforming its benchmark (Russell 1000 Growth) by 1.2%. From the beginning of the year the fund is almost 10% ahead of the benchmark.
- The MSCI EMU returned 5.70% (in EUR) in December. UBS (Lux) Equity Fund – Euro Countries Equities (EUR) P-acc outperformed the benchmark (MSCI EMU) by 0.09% over this period. From the beginning of the year the Fund performed 28.96%, the benchmark returned 27.61%.
- The MSCI UK returned 4.30% (in GBP) in December. The UBS (Lux) Equity Fund - Great Britain (GBP) P-acc returned 4.04% during this period. From the beginning of the year the Fund performed 29.31%, the benchmark returned 28.18%.
- In December, the MSCI Japan posted a gain of 8.90%. Stock selection of UBS (Lux) Equity Fund – Japan (JPY) P-acc was slightly positive, with the Fund returning 0.16% more than the benchmark (MSCI Japan). From the beginning of the year the fund performed 8.79%, the benchmark returned 12.30%.
- In December, emerging market equities performed better than developed country equities. The MSCI Emerging Markets Free Index returned 3.95% during the month. Stock selection of UBS (Lux) Equity Fund – Emerging Market (USD) P-acc was slightly negative with the Fund returning 3.92% during the month. From the beginning of the year the Fund performed 81.96%, the benchmark returned 78.51%.

* As there is zero allocation to the "Active Asset" ("Fund Units"), this provides the equity component commentary if the Fund was not cashlocked

*This document is intended for intermediary use only and is specifically not for distribution to retail clients and is only available via Best Meridian International Insurance Company SPC. Any other person should not rely on this document. It does not constitute an offer of the Fund and provides summary information only. The Fund is only available through the life assurance policies underwritten by Best Meridian International Insurance Company SPC. Investment in the Best Meridian International Insurance Company SPC policy does not represent a direct investment in the Fund, nor does it entitle the policy holder to any rights in respect of the Fund. Neither UBS Global Asset Management or Best Meridian International Insurance Company SPC make any representation or to the extent permitted by law has any liability to the policy holder, whether in respect of the suitability of the investment, the performance of the Fund, the performance of the life policy or otherwise. The investment objective stated above is a summary only. Past performance is no guide to future performance. Fluctuation may be particularly marked in the case of a higher volatility Fund and the value of an investment may fall suddenly and substantially. The value of investments and income from them can fluctuate and are not guaranteed. Rates of exchange may cause investments to go up or down. Investors may not get back the amount they invest. Subscriptions are valid only if made on the basis of the current Prospectus and latest annual and semi-annual reports may be obtained free of charge from UBS Fund Services (Luxembourg) S.A., 33A avenue J.F. Kennedy, PO Box 91L-2010 Luxembourg. Investors should read the risk considerations in the Prospectus which include income, counterparty and derivative risks. Units of investment funds mentioned in this publication may not be offered, sold or delivered to US Persons and/or in the USA. The views expressed do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the BMI Companies Group or UBS AG or any part thereof and no assurances are made as to their accuracy. Best Meridian International Insurance Company SPC is the international Division of BMI Companies Group. The BMI name and logo are trade marks of, and used under license from, BMI, Inc. This document is issued by UBS Global Asset Management (UK) Ltd, 21 Lombard Street, London EC3V 9AH. Authorised and regulated in the UK by the Financial Services Authority.