

SF (LUX) SICAV 1

Investment Company with Variable Capital
Registered under Part I of the Luxembourg law of December 20, 2002

November 2009

Simplified Prospectus of the Subfund SF (LUX) SICAV 1 – BMI Protected Global Growth Fund (USD)

This Simplified Prospectus contains key information about the SF (LUX) SICAV 1 – BMI Protected Global Growth Fund (USD) (the "Subfund"). The Subfund is one of several Subfunds of SF (LUX) SICAV 1 (the "Fund"). For details about the Subfund's investments please see the most recent periodical report. The rights and obligations of investors as well as the legal relationship with the Fund are laid down in the Full Prospectus. The existing Full Prospectus and the periodical reports may be obtained, free of charge, at the registered office of the Fund, of the Central Administration and any further entity as detailed in the Full Prospectus.

Investment Objective	<p>The investment objective of the Subfund is capital appreciation through a dynamic exposure to a basket of collective investment schemes investing mainly in the global equity markets (the "Active Asset" or "Fund Units"), subject to the constraint of protecting 80% of the highest Net Asset Value of the Subfund at any point in time. The capital protection feature aims at ensuring that shareholders will receive at any time upon redemption and at a relevant Maturity Date as defined hereinafter redemption proceeds or liquidation proceeds (as the case may be) of an amount at least equal to 80% of the highest Net Asset Value of the Subfund prior to the relevant Valuation Day or the relevant Maturity Date (the "Protected Amount").</p> <p>Investors should be aware that the protection feature does not institute a formal guarantee but is expected to be achieved through the allocation technique (CPPT) employed by UBS AG (London Branch) described below.</p>
Investment Policy	<p>The Subfund will principally invest in equities and fixed-income securities issued by corporate entities domiciled in any OECD country and listed or traded on regulated markets of an OECD country (the "Investment Portfolio"), and, for the purpose of meeting its investment objective, the Subfund will enter into a performance swap agreement (the "Swap Agreement") negotiated at arm's length with UBS AG (the "Swap Counterparty") to seek exposure to the Dynamic Portfolio (as defined and described below). The Swap Agreement will become effective on August 20, 2007 and be entered into for a 5 year term expiring on August 20, 2012. Thereafter it will be extended for consecutive 5 year periods, subject to the consent of the board of directors of the Fund and the Swap Counterparty at the end of each 5 year period (each such expiring date of the 5 year period being a "Maturity Date").</p> <p>The Subfund is created for an undetermined period but if 3 months prior to the Maturity Date the Fund and the Swap Counterparty shall not have agreed to extend the Swap Agreement for a consecutive 5 year period, the Subfund will be liquidated at the forthcoming Maturity Date and shareholders will receive a notice to that effect.</p> <p>The Subfund may hold liquid assets on an ancillary basis.</p> <p>The Swap Agreement will incorporate the terms of and be governed by a master agreement based on the standard 1992 ISDA Master Agreement published by the International Swaps and Derivatives Association, Inc.</p> <p>The Swap Agreement will be valued on a consistent and daily basis by the calculation agent (UBS Limited, a 100% subsidiary of UBS AG) in accordance with the terms of the Constant Proportion Portfolio Technique ("CPPT") algorithm developed by UBS AG (London Branch) with the prevailing market parameters and valuations. The Swap Counterparty will provide a trading price at which the Subfund can increase or decrease the Swap Agreement notional amount at any time to permit the necessary adjustments upon the issue and redemption of shares.</p> <p>The notional amount of the Swap Agreement will be the proceeds raised at the end of the initial subscription period and in the case of subsequent subscriptions and/or redemptions, the notional amount will be adjusted accordingly. This notional amount will be unaffected by the Subscription Fee described under Subscription and redemption of shares below. The notional amount will be similarly unaffected by the Redemption Fee described under Subscription and redemption of shares below.</p> <p>According to the Swap Agreement and for the first time on 6 September 2007, and thereafter on the 3rd Business Day of each month until the Maturity Date:</p> <ul style="list-style-type: none">- UBS AG will pay to the Subfund an amount which corresponds to the Management Fee, plus any additional expenses incurred by the Subfund as referred to in the section "Total Expenses Ratio ("TER")" below for the preceding month. <p>The Subfund will pay to UBS AG the income received on the Investment Portfolio and on any ancillary liquid assets for the preceding month.</p> <p>a Maturity Date, the settlement value of the Swap Agreement will be determined further to the formula as tailed in the Full Prospectus. If the amount is positive, then UBS AG will pay the amount to the Subfund. If amount is negative, then the Subfund will pay the amount to UBS AG.</p>

VISA 2009/56248-3708-6-PS
L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 04/12/2009
Commission de Surveillance du Secteur Financier



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At all times, the exposure of the Subfund will be allocated between the "Active Asset" (or "Fund Units") and the "Reserve Asset" (or "Cash Units") (the Fund Units and the Cash Units constituting together, the "Dynamic Portfolio") in accordance with the CPPT algorithm. The CPPT algorithm is designed to maximise the number of Fund Units in the Dynamic Portfolio, subject to ensuring the payment of the Protected Amount on any Valuation Day.

Fund Units:

The Fund Units generate a USD denominated participation in a diversified basket of collective investment schemes:

- selected from a universe of collective investment schemes managed by UBS Global Asset Management;
- which qualify as UCITS or other UCIs, as defined in sub-paragraph (1) (A) h) in Section 14. "Investment Guidelines" of the General Provisions of the Full Prospectus.

At the time of the launch, the Fund Units will consist of the following collective investment schemes:

Fund Name	Bloomberg Code	Basket Weight
UBS (Lux) Key Selection Sicav – US Equities (USD) B	UBSKUSD LX	53.00%
UBS (Lux) Key Selection Sicav – European Equities B	UBSKEUE LX	25,00%
UBS (Lux) Equity Fund – Great Britain B	UBSEGBI LX	5.00%
UBS (Lux) Equity Fund – Japan B	UBSEJAI LX	7.00%
UBS (Lux) Equity Fund – Emerging Markets (USD) B	UBSEMUS LX	5.00%
UBS (Lux) Equity Fund – Greater China B	UBSCHDI LX	5.00%

On a quarterly basis, the Investment Advisor may recommend changes in the component collective investment schemes and basket weight of each scheme. Any such change is subject to the agreement of the Swap Calculation Agent.

Cash Units: A Cash Unit represents a USD denominated notional exposure to a debt instrument paying interest at 1 month LIBOR as determined and reset at the end of each month by the Swap Calculation Agent.

Through the CPPT algorithm the exposure within the Dynamic Portfolio to both asset classes will be reviewed on each Business Day and will be set to maximize the exposure to the Active Asset given the prevailing risk constraints.

A complete description of the CPPT algorithm is available to investors upon request at the Company's registered office.

Risk Profile

The Fund will ensure 80 % of the highest Net Asset Value of this Subfund at any point during the lifetime of the Subfund. The capital protection feature hereby aims at ensuring that shareholders will receive at any time upon redemption and at a relevant Maturity Date as defined hereinafter redemption proceeds or liquidation proceeds (as the case may be) in an amount at least equal to 80 % of the highest Net Asset Value of the Subfund prior to the relevant Valuation Day or the relevant Maturity Date (hereinafter the "Protected Amount"). Investors must be able to accept negative Net Asset Value variations up to a maximum of 20% of their investment.

Investors should be aware that the protection feature does not institute a formal guarantee but is expected to be achieved through the allocation technique (CPPT) employed by UBS AG (London Branch) described above.

Investors are requested to consult the list of risks as detailed in the Full Prospectus. These are to be considered as the main risk factors in relation to an investment in the Subfund.

Portfolio Turnover

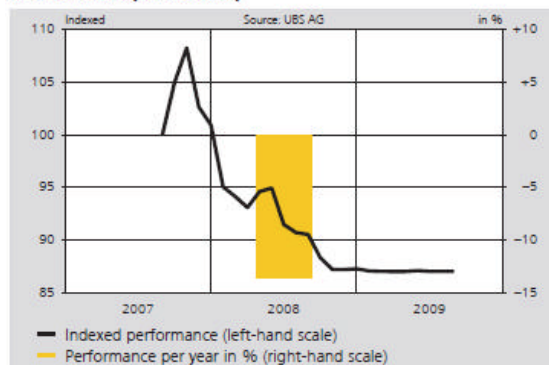
1343.36% (1 June 2008 – 31 May 2009)

Please refer to the Full prospectus for additional information on the calculation of the Portfolio Turnover.

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Performance

Performance (USD-based)



in %	2005	2006	2007	2008	since 27.8.07	Ø p.a. 2 years
USD	-	-	-	-13,5	-13,4	-6,7

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Data as of the end of August 2009

The performance of the Subfund will not be compared to any benchmark.

Profile of the typical investors

The Subfund is suitable for institutional investors who consider investments in the Subfund as a convenient way of participating in global equity and fixed income markets while having a minimum of 80% of their capital protected at any point in time during the life of the Subfund. The investor must be able to accept negative Net Asset Value variations up to a maximum of 20% of their investment.

Allocation of income

The Fund does not proceed to distributions of investment incomes and realised capital gains. These incomes will therefore be accumulated.

Subfund expenses

Annual fees to be borne by the Subfund:

Management fee:	Up to 1.50% p.a.
Taxe d'abonnement:	0.01% p.a.
Total Expense Ratio (TER)	1.67% p.a.

Total Expense Ratio (TER): will be computed one year after the launch of the Subfund and will include the Management Fee described in the Full Prospectus, the "taxe d'abonnement", the costs relating to the registration abroad, the external audit but does not include customary brokerage fees and commissions charged by brokers or banks for securities transactions. The Subscription Fee Recovery Charge shall not be included in the TER.

Taxation

1. Luxembourg Law

With the exception of the "taxe d'abonnement" equal to 0.05% p.a. and payable quarterly in arrears (such tax rate being reduced to 0.01% in respect of the net assets attributable to such Classes of shares or Subfunds which are reserved for institutional investors as defined from time to time by the competent Luxembourg Supervisory Authority), the Fund is not liable to any Luxembourg tax on capital gains or income nor are dividends paid by the Fund liable to any withholding tax in Luxembourg.

Shareholders are not subject to any Luxembourg withholding tax or tax on capital gains, income, gift or any other tax in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg and except for certain former residents of Luxembourg if owning more than 10% of the shares).

The tax consequences will vary for each investor in accordance with the laws, regulations and practices currently in force in an investor's country of citizenship, residence or temporary domicile, and in accordance with his or her personal circumstances.

Investors should therefore ensure they are fully informed in this respect and should, if necessary, consult their financial advisor.

2. European Taxation

The Council of the EU has, on 3rd June 2003, adopted Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "Directive"). The Directive was implemented in Luxembourg by a law of June 21, 2005 (the "EUSD Law"). Under the EUSD Law, dividend and/or redemption proceeds from shares of a Subfund paid to individuals may be subject to withholding tax or give rise to exchange of

* The Fund is subject to a "management fee" calculated on the average total net assets of this Subfund.

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	<p>information with tax authorities. Whether the EUSD Law will be applicable in any particular case and the implications arising therefrom depend on various factors, such as the asset class of the Subfund, the location of the paying agent used and the tax residence of the shareholders concerned. Although more details on the implications of the Directive and the EUSD Law are contained in the Full Prospectus, investors should also seek advice from their financial or tax legal adviser</p>
Net Asset Value publication	<p>The Net Asset Value per share of the Subfund will be expressed in the currency of the Subfund (USD) and will be determined as of each Business Day in Luxembourg (the "Valuation Day") by dividing the total net assets of the Subfund by the number of its shares then outstanding. In this context, "Business Day" shall mean the usual bank business days (i.e. each day on which banks are opened during normal business hours) in Luxembourg with the exception of some non-regulatory holidays. The Net Asset Value per class of share will be available at the registered office of the Fund and of such entities as described, as the case may be, in the Full Prospectus.</p>
Subscription and redemption of shares	<p>Subscriptions can be made for an amount of money, including subscription fees, if applicable, and redemptions can only be made for a number of shares.</p> <p>The shares in the Subfund will be issued as non-certificated bearer shares. Upon request and against payment by the shareholder of all incurred expenses, share certificates may be issued in physical form. The Board of Directors reserves the right to issue share certificates in denominations of one or more shares, however fractions of shares, will not be issued in certificate form.</p> <p>Shares of the Subfund may be subscribed on each Valuation Day based on the relevant Net Asset Value. The payment of 4% of the value of shares issued, calculated on the proceeds raised at the end of the initial subscription period and on the value of any subsequent subscriptions net of redemptions placed on the same Valuation Day - the "Subscription Fee", will be made by the Swap Counterparty to the Subfund. This amount will enable the Subfund to pay the Distributor the Subscription Fee referred to above. The Swap Counterparty will recover this amount by charging the present value of the Subscription Fee over a 5 year period - currently calculated as 0.92% p.a. (the "Subscription Fee Recovery Charge"). In order to be dealt with on a specific Valuation Day, an application for subscription must be received at the latest by 15.00 (CET) on the Business Day in Luxembourg preceding such Valuation Day. Requests received after this day and time will take effect on the following Valuation Day. Any taxes, commissions and other fees incurred in the respective countries in which Fund shares are sold will also be charged.</p> <p>Requests for subscription and redemption must be addressed to the sales agent(s) as detailed under Section II of the Full Prospectus, or may be presented directly to the Fund.</p> <p>Applications shall be submitted for payment in the reference currency of the Subfund. Payment must be received by the Custodian of the Fund at the latest two Business Days in Luxembourg after the applicable Valuation Day.</p> <p>Conversions of shares in the Subfund into those of other Subfunds of the Fund are not permitted.</p> <p>The shares of the Subfund may be redeemed on each Valuation Day based on the relevant Net Asset Value. In order to be dealt with on a specific Valuation Day, an application for redemption must be received at the latest by 15.00 (CET) on the Business Day in Luxembourg preceding such Valuation Day. They shall be settled at the redemption price calculated on that Valuation Day and shall be submitted for payment in the reference currency of the Subfund. All redemption requests received by the Fund after the deadline mentioned above will be settled at the redemption price calculated on the next Valuation Day. If share certificates were physically delivered to the shareholder, they must be enclosed with the redemption application (all non-used coupons attached).</p> <p>The redemption price is based on the Net Asset Value per share, less a redemption charge up to 5% in favour of the Subfund if shares are redeemed before a Maturity Date. Should a shareholder redeem his shareholding before the expiration of a 5 year period following the most recent net subscription of Subfund shares, the Swap Counterparty will calculate any shortfall in the recovery (of the Subscription Fee advanced) and the Subfund will pay the required amount of the Subscription Fee Recovery Charge having charged it to the shareholder as a Redemption Fee. Any taxes, commissions and other fees incurred in the respective countries in which Fund shares are sold will be charged. Since provision must be made for an adequate supply of liquidity in the Fund's assets, payment for Fund shares is effected under normal circumstances within 2 Business Days after the calculation of the redemption price unless legal provisions, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Fund, make it impossible to transfer the redemption amount to the country in which the redemption application was submitted.</p> <p>In the event of an excessively large volume of redemption applications, the Fund may decide to delay execution of the redemption applications until the corresponding assets of the Fund are sold without unnecessary delay. On payment of the redemption price, the corresponding Fund share ceases to be valid.</p> <p><u>Update on Subscriptions and Redemptions</u></p> <p>Since 10 March 2009, the Subscription Fee of 4% has no longer been applied.</p> <p>The Subscription Fee Recovery Charge will continue to be amortised (as described above) in relation to all subscriptions made before 10 March 2009.</p>

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	<p>However, the shortfall in the recovery of the Subscription Fee advanced, as described above, will not be charged by the Swap Counterparty to the Subfund, and consequently, not be charged as a Redemption Fee by the Subfund for any redemptions out of SF (LUX) SICAV 1- BMI Protected Global Growth Fund (USD) and the proceeds of which are re-invested into SF (LUX) SICAV 1- BMI Protected Global Growth Fund II (USD), following its launch on 10 August 2009.</p> <p>The Subfund will be closed to further subscriptions from 10 August 2009.</p>
Additional important information	<p>Legal form: Subfund of the SF (LUX) SICAV 1, a Luxembourg-based investment company with variable capital</p> <p>Fund: SF (LUX) SICAV 1</p> <p>Sponsor: UBS AG</p> <p>Portfolio Manager: UBS Global Asset Management (UK) Ltd.</p> <p>Investment Advisor: UBS AG, acting through its UBS Global Asset Management business group</p> <p>Supervisory Authority: Commission for the Supervision of the Financial Sector, Luxembourg</p> <p>Central Administration: UBS Fund Services (Luxembourg) S.A.</p> <p>Custodian Bank: UBS (Luxembourg) S.A., Luxembourg</p> <p>Auditors: Ernst & Young, Luxembourg</p> <p>Incorporation date: April 28, 2004</p> <p>Period of existence: unlimited period</p> <p>Payment of initial subscription price: at the latest on August 23, 2007</p> <p>Reference Currency: USD</p> <p>ISIN-Number: LU0312038564</p>
Local Agents	<p>Luxembourg: UBS Fund Services (Luxembourg) S.A., Luxembourg</p>
Further Information	<p>For any further information, please contact</p> <p>SF (Lux) Sicav 1 c/o UBS Fund Services (Luxembourg) S.A. 33A, avenue J.F. Kennedy, L-1855 Luxembourg Tel.: +352 44 10 10 1 Fax: +352 44 10 10 66 22 E-mail: ubsfsinfo@ubs.com</p> <p>UBS (Luxembourg) S.A. 33A, avenue J.F. Kennedy, L-1855 Luxembourg Tel.: + 352 45 12 12 152 Fax: + 352 45 12 12 744</p>