

Safety with prospects of more

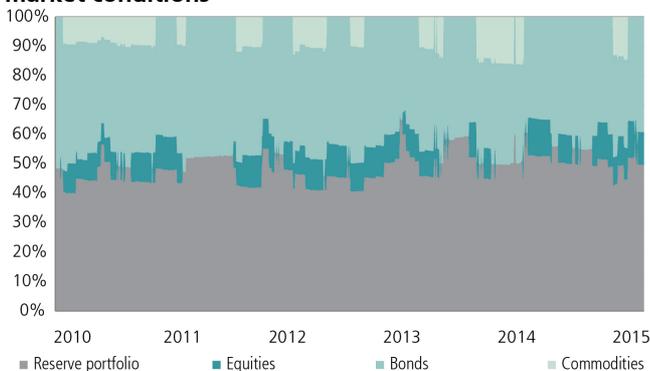
Life Investment 90% Protected Fund

Security with simultaneous participation in financial markets is not a contradiction. The combination of financial market investment and a tried-and-tested hedging approach make it possible. The Life Investment 90% Protected Fund is a broadly diversified investment solution with capital protection of 90% of the highest net asset value achieved at a month end.

Properties

The Life Investment 90% Protected Fund is a capital protection fund. At the end of the maturity of the subfund, a capital hedge of 90% of the highest net asset value achieved at a month end applies. The fund's portfolio consists of an active part and a reserve part. The active part comprises the asset classes of equities, bonds and commodities, while the proportions of the asset classes are adjusted monthly on the basis of the current market conditions (Figure 1). The active assets refer to a rules-based strategy. The reserve part consists of fixed-income securities and liquid funds and represents the base of the capital protection. The active part of the portfolio may not exceed 60% of the fund's assets. The allocation in favor of the reserve part may be increased to as much as 100% in order to thereby manage the capital protection. In this case, the fund no longer participates, or only to a limited extent, in the price performance of equity, bond and commodities markets.

Figure 1: Dynamic portfolio adjustment to the current market conditions

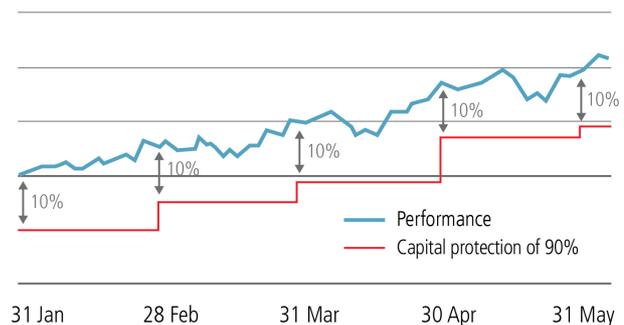


Source: UBS Asset Management, for illustration purposes only.

Function of the capital protection of 90%

It is verified at the end of every month whether the price of the fund has hit a new record high. If this is the case, 90% of this value is defined as the new capital protection level (Figure 2, red line). Investors are paid this minimum value as at the end of the fund's maturity in accordance with the fund prospectus, if certain requirements are fulfilled. If markets perform positively, investors are given the opportunity to participate in this positive performance (blue line).

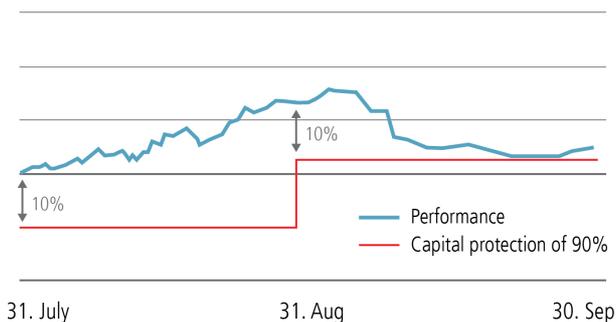
Figure 2: Increase of the capital protection level at higher month-end prices



For illustration purposes only

Value fluctuations are always to be expected in financial markets. In the event of a significant price fall, however, the capital is well protected with this fund. Because even in the event of a stronger price fall of the fund below the capital protection level, the capital protection continues to exist. The capital protection level can therefore never fall over the maturity (Figure 3).

Figure 3: Capital protection in the event of a strong price fall



For illustration purposes only

Advantages

- Flexible investment strategy by tapping the performance potential of equity, bond and commodities markets
- Capital protection of 90% of the highest net asset value achieved at a month end
- Increase of the capital protection level with every new month-end record high price
- Balance between the amount of the capital protection and performance potential
- Guarantee of the capital protection by UBS AG as a reliable and cash-strong capital protection provider
- Competent and experienced UBS portfolio management team with a convincing track record
- Open fund with daily liquidity

Risks

An investment in this fund is also an investment in financial markets and is therefore only suitable for investors with a corresponding willingness and ability to take risks. The fund units are exposed to market impacts during the whole period, which influence the value of the units. A value increase of the fund can therefore not be guaranteed.

Other substantive risks

- OTC instruments are used to a significant degree, for which reason the fund may be exposed to a counterparty risk.
- If derivatives are used to achieve leverage, this may have an impact on the fund's return.
- This product offers capital protection, for which reason investors enter into limited risks of loss.
- A considerable proportion of the fund is invested in less liquid assets, whose prices may fluctuate strongly under certain market conditions.

The fund is interesting for investors

- whose appetite for risk is small as a rule and would therefore like a certain capital protection
- but who nevertheless wish to participate in the investment opportunities of the international equity, bond and commodities markets.

Fund details

Fund name	SF (Lux) SICAV 2 – Life Investment 90% Protected Fund
Legal form	SICAV
Fund domicile	Luxembourg
Custodian bank	UBS (Luxembourg) S.A.
Portfolio management	UBS Asset Management (UK) Ltd.
Maturity end	The maturity ends with the occurrence of the first of the following events: after 3 months, a so-called cash-lock event or on a date when UBS AG, London Branch, has informed the subfund that it will no longer be in a position to manage or map the dynamic portfolio; or 15 days after the date when an event takes place resulting in the termination of the ISDA Master Agreement between UBS AG, London Branch, and the portfolio; or on July 31, 2025.
Capital protection	90% of the highest net asset value achieved at a month end
Capital protection provider	UBS AG, London Branch
Tradability	daily
Management fee	0.775% p.a.
Utilization of returns	reinvesting
Currency	CHF
Securities number	29354100
ISIN	LU1285430077

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