

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## **SF (Lux) SICAV 2 - Life Investment 90% Protected Fund, a sub-fund of SF (Lux) SICAV 2, class I (ISIN: LU1285430077)**

This sub-fund is managed by the UBS Third Party Management Company S.A., a subsidiary of UBS AG.

### Objectives and investment policy

The investment objective of the Subfund is to deliver the return of the Dynamic Portfolio via a CPPT (Constant Proportion Portfolio Technique) algorithm, which allocates between reserve assets and active assets. The active asset refers to a rules based strategy, which allocates to the following components: S&P500, FTSE 100, DAX, EURO STOXX 50, UBS Bloomberg CMCI Composite Index, Short term interest rate exposure and Rolling 3 month investment in French OAT, US Treasuries, Euro-Bund, UK Gilt and BTP Italian Government Bond futures. The reserve asset may include investments in, but not limited to, fixed income securities and/or cash and cash-like securities and/or instruments including money-market funds. The reserve asset may also include a cross-currency basis term which enables the provision of a short term interest rate LIBOR linked exposure.

The Algorithm causes the Subfund to participate in equity, commodity and bond markets, whilst being linked to capital protection at the term of the Subfund of 90% of the highest month end net asset value. To manage the capital protection there may be circumstances when it is necessary under the dynamic portfolio allocation rules to increase the allocation to the Subfund reserve asset and in the case of a cash lock event the Dynamic Portfolio will allocate entirely to the reserve asset, which would remove the potential for future investment growth. The Subfund term is the earlier of: 3 months following a cash-lock event (whereby the allocation to the active asset is

reduced to zero as a result of, but not limited to, a decrease in value of the active asset or an increase in the protected amount); or following the date on which UBS AG, London Branch informs the Subfund that it is no longer able to operate or deliver the Dynamic Portfolio; or 15 days following the day on which an event causing the ISDA Master Agreement (the agreement which outlines terms applied to the over the counter derivative transactions) between UBS AG, London Branch and the Portfolio Manager, to terminate has occurred; or 31 July 2025.

In the event that UBS AG, London Branch informs the Subfund that it is no longer able to operate or deliver the Dynamic Portfolio, the NAV of the Subfund will no longer be exposed to the Dynamic Portfolio until term.

Shares can be issued, redeemed or swapped on every business day as disclosed in the Prospectus.

The income in respect of an accumulation share class is not distributed but is retained in the sub-fund.

### Risk and reward profile



#### More about this rating

- The risk category is based on return volatility over the last five years. The method used for this estimation depends on the type of fund.
- Historical data may not be a reliable indication for the future.
- The risk category shown is not guaranteed and may vary over time.
- The lowest category does not mean 'risk free'.

#### Why is this fund in Category 3?

The fund is exposed to international equity, commodity and bond markets and actively allocates between these asset classes as market conditions change. This means the fluctuations in value are less than for an equity only fund as reflected in the risk category.

#### Further material risks:

- Significant use of over-the-counter instruments exposes the fund to potential counterparty default risk.
- The use of derivatives to generate leverage could impact fund returns.
- A Capital Protection exists for this product so investor downside is limited.
- A significant portion of the fund is invested in less liquid instruments whose prices could fluctuate in certain market conditions.

## Charges

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The charges you pay are used to pay the costs of running the sub-fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	6.00%
Exit charge	2.00%
Conversion charge	1.50%
This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charges	0.78%
Charges taken from the fund under certain specific conditions	
Performance fee	none

The **entry charge** and **exit charge** shown are maximum figures. In some cases you might pay less – you can find this out from your financial adviser.

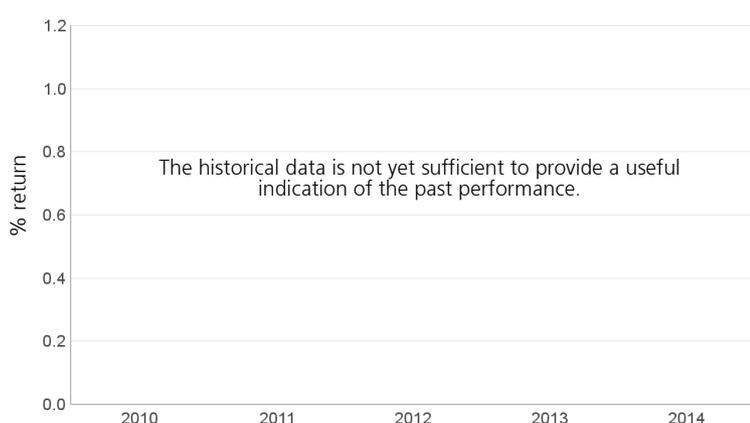
The **ongoing charges** are estimated in the absence of historical data. When available, the ongoing charges are reported, and may differ from the estimate. They do not include:

- Transaction costs and rebalancing costs (these last ones can reach a maximum of 0.65% per year)

For more information, please see the charges section of the fund's prospectus, which is available at [www.ubs.com/third-party-man-co-policies](http://www.ubs.com/third-party-man-co-policies).

## Past performance

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The class was launched in 2015.

## Practical information

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### Depository

UBS (Luxembourg) S.A.

### Further Information

Information about SF (Lux) SICAV 2, its sub-funds and available share classes, the full prospectus as well as the latest annual and semi-annual reports, can be obtained free of charge, in German from the Fund Management Company, the Central Administrator, the Custodian Bank, the Funds distributors or online at [www.ubs.com/third-party-man-co-policies](http://www.ubs.com/third-party-man-co-policies). Other documents are also available.

The currency of the share class is CHF. The price of shares is published on each business day and is available online at [www.fundsquare.net](http://www.fundsquare.net).

### Tax Legislation

The fund is subject to the tax laws and regulations of Luxembourg. Depending on your own country of residence, this might have an impact on your investment. For further details you should consult a tax adviser.

### Liability Statement

UBS Third Party Management Company S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.

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This Fund is authorised in Luxembourg and regulated by the Luxembourg supervisory authority Commission de Surveillance du Secteur Financier (CSSF).

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This key investor information is accurate as at 04/11/2015.