

UBS (Lux) Equity SICAV-Brazil

Investment company under Luxembourg law ("Société d'Investissement à Capital Variable")
Established in accordance with Part I of the Law of 20 December 2002
on undertakings for collective investment

August 2010

Simplified Prospectus of the Subfund

UBS (Lux) Equity SICAV – Brazil

This simplified prospectus contains key information on UBS (Lux) Equity SICAV – Brazil (the "Subfund"), a Subfund of UBS (Lux) Equity SICAV (the "Company"), which offers the investor various Subfunds ("umbrella construction"). If you require further information before investing, please consult the full sales prospectus of UBS (Lux) Equity SICAV. Here, you will also find information on the rights and obligations of investors. The full sales prospectus and the annual reports may be obtained at no charge from the Company, the Administrative Agent (please also see "Contacts") and all sales agencies. Detailed information on Subfund investments can be found in the latest annual and semi-annual reports.

Investment objective	The aim of the Company is to achieve high growth with appropriate earnings, while giving due consideration to capital security and the liquidity of the Company's assets.
Investment policy	<p>UBS (Lux) Equity SICAV – Brazil invests at least two-thirds of its assets worldwide in equities and other equity shares of companies at any level of market capitalisation domiciled or chiefly active in Brazil.</p> <p>The currency of account is the USD.</p> <p>Investments in Brazil may have a more volatile performance and be more illiquid than investments in other countries. Moreover, the official regulatory systems may be less efficient in the countries in which the Subfund invests, and the accounting, auditing and reporting methods employed cannot be compared with the standards used in more developed countries.</p> <p>In addition, investments in companies with low market capitalisation may show greater volatility than investments in companies with medium or high market capitalisation. The currency in which the Subfund invests may undergo substantial fluctuations. These may have a negative effect on the Subfund's income.</p> <p>For this reason, the Subfund is especially suitable for risk-tolerant investors.</p> <p>In addition, the Subfund may invest altogether up to a maximum of one third of its net assets in other countries as well as, in line with the guidelines on investment instruments and restrictions set out in the full sales prospectus, up to 25% of the net assets in convertible and warrant-linked issues whose warrants entitle the holder to subscribe to securities, and up to 15% of the net assets in bonds, notes and similar fixed-income and floating-rate investments (incl. floating rate notes) issued by public authorities, semi-public enterprises or private borrowers, as well as in money market paper and, linked to the aforementioned, in warrants on debt instruments issued by the above borrowers. Up to 15% of the net assets of the Subfund may be invested in claims of any type whose income may be qualified as "interest" within the meaning of the EU Directive 2003/48/EC of 3 June 2003 on the taxation of interest income. In addition, each Subfund may buy or sell futures and options on financial instruments or conduct transactions for non-hedging purposes involving options on securities other than for hedging purposes. Due to their higher volatility, futures and options are exposed to greater risks than direct investments in securities. These techniques and instruments will only be employed if they are in conformity with the investment policy of the Subfund and do not adversely affect its quality.</p> <p>Use of techniques and instruments</p> <p>As part of efficient asset management and taking the particular market situation into account, the Subfund invests, in accordance with the provisions stipulated in the section of the full sales prospectus ("Special techniques and instruments that have securities and money market instruments as underlying assets"), in all legally permissible derivative instruments, in line with the guidelines set forth in this section. The permitted underlying instruments comprise in particular those listed under point 1.1, in the investment principles. These techniques and instruments do not play a central role in achieving the investment policy's aims.</p>

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Risk profile	<p>Subfund investments may be subject to substantial fluctuations and no guarantee can be given that the value of a share will not fall below its value at the time of acquisition.</p> <p>Factors that can trigger such fluctuations or influence their scale include but are not limited to:</p> <ul style="list-style-type: none"> - company-specific changes - changes in interest rates - changes in exchange rates - changes in raw material prices and energy resources - changes affecting economic factors such as employment, public expenditure and indebtedness, inflation - changes in the legal environment - changes in investor confidence in certain investment classes (e.g. equities), markets, countries, industries and sectors <p>By diversifying investments, the Portfolio Manager seeks to partially reduce the negative impact of these risks on the value of the Subfund. The use of special techniques and instruments that have securities and money market instruments as the underlying and optimise portfolio management may expose the investor to a greater degree of risk. Consequently, no assurance can be given that the results sought by using such techniques and instruments will be attained.</p> <p>The risk factors listed in the sales prospectus in the section "Risks connected with the use of derivatives" (associated with the use of derivatives, futures and options on financial instruments and securities warrants) do not provide a full explanation of the risks related to the shares of the Subfund. It should be remembered that the net asset value of the Subfund can rise or fall. An investor may fail to recoup an investment, especially if shares are sold shortly after they have been bought. Potential investors should carefully weigh up whether an investment in shares is suited to their means and own assets.</p> <p>The risks are described in detail in the full sales prospectus.</p>
Portfolio turnover	<p>The portfolio turnover of the Subfund amounted to 337.30% as at 31 May 2009.</p>
Performance as at end of May 2010	<p>Performance (Basis USD, nach Abzug von Gebühren)</p> <p> ■ Indexierte Performance (linke Skala) MSCI Brazil 10/40 ■ Jährliche Performance (rechte Skala) </p> <p>Data as at end of May 2010</p>
Note	<p>This graph shows past performance in USD. Past performance is no guarantee of future trends. The value of an investment can go up or down, and investors may fail to recoup the sums they have invested. Future performance depends on the development of the markets as well as the implementation of the investment policy by the Portfolio Manager. The described performance does not account for any fees or expenses incurred when subscribing to and redeeming units.</p>
Profile of the typical investor	<p>The Subfund is suitable as a basic investment for risk-tolerant private and institutional investors that have a longer-term investment horizon and want to invest in a broadly diversified portfolio of Brazilian equities.</p>

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Distribution policy	<p>Share classes with "dist" as part of their name entitle the holder to an annual distribution.</p> <p>Share classes with "acc" as part of their name do not entitle the holder to distributions. The income from these shares is automatically reinvested.</p>														
Description of share classes	<p>Not all the types of share class described below have to be offered at all times. The table below lists the share classes currently available. The Board of Directors may decide to set up and offer corresponding share classes of these types at an appropriate time. With each subsequent adjustment to the prospectus, the following descriptions of share classes and the tables below the sections "Expenses charged to the Subfund" and "Additional important information" will be adapted.</p> <table border="1"> <tr> <td data-bbox="451 577 571 667">P</td><td data-bbox="579 577 1439 667">Shares in classes with "P" in their name are available to all investors. Share class "P" differs from share classes "H" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.</td></tr> <tr> <td data-bbox="451 678 571 846">N</td><td data-bbox="579 678 1439 846">Shares in classes with "N" in their name (shares with restrictions on the distribution partners or countries) are issued exclusively through Distributors domiciled in Spain, Italy, Portugal and Germany authorised by UBS AG, as well as, where appropriate, through Distributors in further distribution countries, provided this has been decided by the Board of Directors. Only bearer shares are issued.</td></tr> <tr> <td data-bbox="451 857 571 936">H</td><td data-bbox="579 857 1439 936">Shares in classes with "H" in their name are available to all investors. Share class "H" differs from share classes "P" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.</td></tr> <tr> <td data-bbox="451 947 571 1025">K-1</td><td data-bbox="579 947 1439 1025">Shares in classes with "K-1" in their name are available to all investors. Share class "K-1" differs from share classes "P" and "H" with regard to the level of the flat fee. Only bearer shares are issued.</td></tr> <tr> <td data-bbox="451 1037 571 1238">K-2</td><td data-bbox="579 1037 1439 1238">Shares in classes with "K-2" in their name are exclusively reserved for investors who have concluded a written asset management mandate or a written consulting mandate with UBS AG or one of its authorised counterparties, and who envisage a minimum investment of CHF 10,000,000 or a countervalue corresponding to this amount in the reference currency of the portfolio assigned to the asset management mandate or consulting mandate. Only registered shares are issued.</td></tr> <tr> <td data-bbox="451 1249 571 1451">F</td><td data-bbox="579 1249 1439 1451">Shares in classes with "F" in their name may be issued only to investors who have concluded a written asset management mandate with UBS AG or one of its selected banking subsidiaries. Upon termination of the mandate, investors lose the right to hold shares in the Company. UBS AG or its selected banking subsidiaries may return these shares to the Company at the prevailing net asset value and at no charge. Only registered shares are issued.</td></tr> <tr> <td data-bbox="451 1462 571 2078">Q</td><td data-bbox="579 1462 1439 2078"> <p>Shares in classes with "Q" in their name are reserved for professionals of the financial sector who make the following investments:</p> <ul style="list-style-type: none"> (a) on their own behalf; (b) on behalf of their clients within a discretionary mandate; or (c) on behalf of an undertaking for collective investment in transferable securities (UCITS) managed by a professional of the financial sector, provided that <ul style="list-style-type: none"> (i) UBS AG has authorised, in writing, said professional to subscribe to the share class; and (ii) in cases (b) and (c), said professional has been duly authorised by the supervisory authority to which he/she is subject to carry out such transactions, and is domiciled in either Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden or the United Kingdom, and/or is operating on behalf of another professional of the financial sector who has been authorised in writing by UBS AG and is domiciled in one of the above countries. <p>Admission of investors in further distribution countries shall be decided</p> </td></tr> </table>	P	Shares in classes with "P" in their name are available to all investors. Share class "P" differs from share classes "H" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.	N	Shares in classes with "N" in their name (shares with restrictions on the distribution partners or countries) are issued exclusively through Distributors domiciled in Spain, Italy, Portugal and Germany authorised by UBS AG, as well as, where appropriate, through Distributors in further distribution countries, provided this has been decided by the Board of Directors. Only bearer shares are issued.	H	Shares in classes with "H" in their name are available to all investors. Share class "H" differs from share classes "P" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.	K-1	Shares in classes with "K-1" in their name are available to all investors. Share class "K-1" differs from share classes "P" and "H" with regard to the level of the flat fee. Only bearer shares are issued.	K-2	Shares in classes with "K-2" in their name are exclusively reserved for investors who have concluded a written asset management mandate or a written consulting mandate with UBS AG or one of its authorised counterparties, and who envisage a minimum investment of CHF 10,000,000 or a countervalue corresponding to this amount in the reference currency of the portfolio assigned to the asset management mandate or consulting mandate. Only registered shares are issued.	F	Shares in classes with "F" in their name may be issued only to investors who have concluded a written asset management mandate with UBS AG or one of its selected banking subsidiaries. Upon termination of the mandate, investors lose the right to hold shares in the Company. UBS AG or its selected banking subsidiaries may return these shares to the Company at the prevailing net asset value and at no charge. Only registered shares are issued.	Q	<p>Shares in classes with "Q" in their name are reserved for professionals of the financial sector who make the following investments:</p> <ul style="list-style-type: none"> (a) on their own behalf; (b) on behalf of their clients within a discretionary mandate; or (c) on behalf of an undertaking for collective investment in transferable securities (UCITS) managed by a professional of the financial sector, provided that <ul style="list-style-type: none"> (i) UBS AG has authorised, in writing, said professional to subscribe to the share class; and (ii) in cases (b) and (c), said professional has been duly authorised by the supervisory authority to which he/she is subject to carry out such transactions, and is domiciled in either Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden or the United Kingdom, and/or is operating on behalf of another professional of the financial sector who has been authorised in writing by UBS AG and is domiciled in one of the above countries. <p>Admission of investors in further distribution countries shall be decided</p>
P	Shares in classes with "P" in their name are available to all investors. Share class "P" differs from share classes "H" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.														
N	Shares in classes with "N" in their name (shares with restrictions on the distribution partners or countries) are issued exclusively through Distributors domiciled in Spain, Italy, Portugal and Germany authorised by UBS AG, as well as, where appropriate, through Distributors in further distribution countries, provided this has been decided by the Board of Directors. Only bearer shares are issued.														
H	Shares in classes with "H" in their name are available to all investors. Share class "H" differs from share classes "P" and "K-1" with regard to the level of the flat fee. Only bearer shares are issued.														
K-1	Shares in classes with "K-1" in their name are available to all investors. Share class "K-1" differs from share classes "P" and "H" with regard to the level of the flat fee. Only bearer shares are issued.														
K-2	Shares in classes with "K-2" in their name are exclusively reserved for investors who have concluded a written asset management mandate or a written consulting mandate with UBS AG or one of its authorised counterparties, and who envisage a minimum investment of CHF 10,000,000 or a countervalue corresponding to this amount in the reference currency of the portfolio assigned to the asset management mandate or consulting mandate. Only registered shares are issued.														
F	Shares in classes with "F" in their name may be issued only to investors who have concluded a written asset management mandate with UBS AG or one of its selected banking subsidiaries. Upon termination of the mandate, investors lose the right to hold shares in the Company. UBS AG or its selected banking subsidiaries may return these shares to the Company at the prevailing net asset value and at no charge. Only registered shares are issued.														
Q	<p>Shares in classes with "Q" in their name are reserved for professionals of the financial sector who make the following investments:</p> <ul style="list-style-type: none"> (a) on their own behalf; (b) on behalf of their clients within a discretionary mandate; or (c) on behalf of an undertaking for collective investment in transferable securities (UCITS) managed by a professional of the financial sector, provided that <ul style="list-style-type: none"> (i) UBS AG has authorised, in writing, said professional to subscribe to the share class; and (ii) in cases (b) and (c), said professional has been duly authorised by the supervisory authority to which he/she is subject to carry out such transactions, and is domiciled in either Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden or the United Kingdom, and/or is operating on behalf of another professional of the financial sector who has been authorised in writing by UBS AG and is domiciled in one of the above countries. <p>Admission of investors in further distribution countries shall be decided</p>														

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		by the Board of Directors. Only bearer shares are issued.
I-88; I-82; I-74		Shares in classes with "I-88", "I-82" or "I-74" in their name are exclusively reserved for institutional investors. Only bearer shares are issued.
I-18		Shares in classes with "I-18" in their name are exclusively reserved for institutional investors who have signed a portfolio management contract, an advisory agreement or an agreement on investing in Subfunds of the umbrella fund with UBS AG or one of its authorised counterparties. A fee covering the costs for Fund administration (comprising the costs of the Company, Administrative Agent and Custodian Bank) is charged directly to the Subfund. The costs for asset management and distribution are charged to investors under the aforementioned agreements. Only registered shares are issued.
I-X		Shares in classes with "I-X" in their name are exclusively reserved for institutional investors who have signed a portfolio management contract, an advisory agreement or an agreement on investing in Subfunds of the umbrella fund with UBS AG or one of its authorised counterparties. The costs for asset management, Fund administration (comprising the costs of the Company, Administrative Agent and Custodian Bank) and distribution are charged to investors under the aforementioned agreements. Only registered shares are issued.
U-X		Shares in classes with "U-X" in their name are exclusively reserved for institutional investors who have signed a portfolio management contract, an advisory agreement or an agreement on investing an amount defined in the prospectus in Subfunds of the umbrella fund with UBS AG or one of its authorised counterparties. The costs for asset management, Fund administration (comprising the costs of the Company, Administrative Agent and Custodian Bank) and distribution are charged to investors under the aforementioned agreements. This share class is exclusively geared towards financial products (i.e. fund of funds or other pooled structures in accordance with different legislation). Only registered shares are issued.

Expenses charged to the Fund

Expenses paid by the Subfund:

Share class	Currency	Launch period/date ¹⁾	Maximum fee p.a.	Taxe d'abonnement p.a.	Total Expense Ratio (TER) p.a.
(USD) P-dist	USD	not yet known	2.340% ²⁾	0.05%	not yet known
(USD) P-acc	USD	10.05.2007	2.340% ²⁾	0.05%	2.55% as at 30/11/2009
(USD) N-dist	USD	not yet known	2.500% ²⁾	0.05%	not yet known
(USD) N-acc	USD	not yet known	2.500% ²⁾	0.05%	not yet known
(USD) H-dist	USD	not yet known	1.800% ²⁾	0.05%	not yet known
(USD) H-acc	USD	not yet known	1.800% ²⁾	0.05%	not yet known
(USD) K-1-dist	USD	not yet known	1.500% ²⁾	0.05%	not yet known
(USD) K-1-acc	USD	not yet known	1.500% ²⁾	0.05%	not yet known
(USD) K-2-dist	USD	not yet known	1.100% ^{2) 3)}	0.05%	not yet known
(USD) K-2-acc	USD	not yet known	1.100% ^{2) 3)}	0.05%	not yet known
(USD) F-dist	USD	not yet known	1.600% ^{2) 3)}	0.01%	not yet known
(USD) F-acc	USD	not yet known	1.600% ^{2) 3)}	0.01%	not yet known
(USD) Q-dist	USD	not yet known	1.200% ²⁾	0.05%	not yet known
(USD) Q-acc	USD	23.04.2009	1.200% ²⁾	0.05%	1.27% as at 30/11/2009
(USD) I-88-dist	USD	not yet known	0.880% ²⁾	0.01%	not yet known
(USD) I-88-acc	USD	05.05.2010	0.880% ²⁾	0.01%	not yet known
(USD) I-82-dist	USD	not yet known	0.820% ²⁾	0.01%	not yet known
(USD) I-82-acc	USD	not yet known	0.820% ²⁾	0.01%	not yet known
(USD) I-74-dist	USD	not yet known	0.740% ²⁾	0.01%	not yet known
(USD) I-74-acc	USD	not yet known	0.740% ²⁾	0.01%	not yet known

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(USD) I-18-dist	USD	not yet known	0.180% ⁴⁾	0.01%	not yet known
(USD) I-18-acc	USD	not yet known	0.180% ⁴⁾	0.01%	not yet known
(USD) I-X-dist	USD	not yet known	0.000% ⁵⁾	0.01%	not yet known
(USD) I-X-acc	USD	not yet known	0.000% ⁵⁾	0.01%	not yet known
(USD) U-X-dist	USD	not yet known	0.000% ⁵⁾	0.01%	not yet known
(USD) U-X-acc	USD	not yet known	0.000% ⁵⁾	0.01%	not yet known
(EUR) P-dist	EUR	not yet known	2.340% ²⁾	0.05%	not yet known
(EUR) P-acc	EUR	not yet known	2.340% ²⁾	0.05%	not yet known
(EUR) N-dist	EUR	not yet known	2.500% ²⁾	0.05%	not yet known
(EUR) N-acc	EUR	not yet known	2.500% ²⁾	0.05%	not yet known
(EUR) H-dist	EUR	not yet known	1.800% ²⁾	0.05%	not yet known
(EUR) H-acc	EUR	not yet known	1.800% ²⁾	0.05%	not yet known
(EUR) K-1-dist	EUR	not yet known	1.500% ²⁾	0.05%	not yet known
(EUR) K-1-acc	EUR	not yet known	1.500% ²⁾	0.05%	not yet known
(EUR) K-2-dist	EUR	not yet known	1.100% ²⁾³⁾	0.05%	not yet known
(EUR) K-2-acc	EUR	not yet known	1.100% ²⁾³⁾	0.05%	not yet known
(EUR) F-dist	EUR	not yet known	1.600% ²⁾³⁾	0.01%	not yet known
(EUR) F-acc	EUR	not yet known	1.600% ²⁾³⁾	0.01%	not yet known
(EUR) Q-dist	EUR	not yet known	1.200% ²⁾	0.05%	not yet known
(EUR) Q-acc	EUR	not yet known	1.200% ²⁾	0.05%	not yet known
(EUR) I-88-dist	EUR	not yet known	0.880% ²⁾	0.01%	not yet known
(EUR) I-88-acc	EUR	not yet known	0.880% ²⁾	0.01%	not yet known
(EUR) I-82-dist	EUR	not yet known	0.820% ²⁾	0.01%	not yet known
(EUR) I-82-acc	EUR	not yet known	0.820% ²⁾	0.01%	not yet known
(EUR) I-74-dist	EUR	not yet known	0.740% ²⁾	0.01%	not yet known
(EUR) I-74-acc	EUR	not yet known	0.740% ²⁾	0.01%	not yet known
(EUR) I-18-dist	EUR	not yet known	0.180% ⁴⁾	0.01%	not yet known
(EUR) I-18-acc	EUR	not yet known	0.180% ⁴⁾	0.01%	not yet known
(EUR) I-X-dist	EUR	not yet known	0.000% ⁵⁾	0.01%	not yet known
(EUR) I-X-acc	EUR	not yet known	0.000% ⁵⁾	0.01%	not yet known
(EUR) U-X-dist	EUR	not yet known	0.000% ⁵⁾	0.01%	not yet known
(EUR) U-X-acc	EUR	not yet known	0.000% ⁵⁾	0.01%	not yet known

¹⁾ In the table above, "not yet known" is used for share classes not launched at the time of publication of this simplified prospectus and whose launch periods/dates have not been determined. Investors are requested to contact their investment adviser for further information.

²⁾ The Subfund will be charged a maximum flat fee for share classes "P", "N", "H", "K-1", "K-2", "F", "Q", "I-88", "I-82" and "I-74", calculated on the average net asset value of the Subfund. This will be used for Fund administration (comprising the costs of the Company, Administrative Agent and Custodian Bank), asset management and distribution of the Subfund, as well as for covering the costs incurred. The relevant maximum flat fee will not be charged until the corresponding share classes have been launched. Out of the flat fee, the Company will bear all costs incurred in connection with the administration, portfolio management and safekeeping of the Company's assets as well as distribution of the Subfund, such as:

- annual fees and expenses for approving and supervising the Company in Luxembourg and abroad;
- other fees charged by the supervisory authorities;
- printing of the prospectuses and the annual and semi-annual reports;
- price publications and publication of notices to investors;
- fees incurred in connection with the listing of the Company and sales within Luxembourg and abroad;
- commission and expenses of the Custodian Bank for the safekeeping of the Company's assets, dealing with payments and other duties, as required under the Law of 2002;
- fees and other expenses for the payment of dividends to investors;
- auditor's fees.

The Custodian Bank, Administrative Agent and Company are nevertheless entitled to be reimbursed the costs of non-routine arrangements made by them in the interests of the investors; otherwise such expenses will be charged directly to the Company.

The Company will also bear all transaction expenses arising in connection with the administration of the Company's assets (brokerage commission in line with the market, fees, fiscal charges, etc.).

All taxes levied on the income and assets of the Company, particularly the taxe d'abonnement, will also be borne by the Company.

³⁾ For share classes "K-2" and "F", an additional fee will also be charged to the Subfund; this will be determined via a separate contract with UBS AG or one of its authorised distribution partners.

⁴⁾ For share class "I-18", a fee will be charged to cover the costs of Fund administration (comprising the

	<p>costs of the Company, Administrative Agent and Custodian Bank). The costs for asset management and distribution are charged directly outside of the Fund under a separate contract between the investor and UBS Global Asset Management or one of its authorised representatives.</p> <p>⁵⁾ Costs in connection with the services to be performed for share classes "I-X" and "U-X" pertaining to asset management, Fund administration (comprising the costs of the Company, Administrative Agent and Custodian Bank) and distribution will be settled via the compensation to which UBS AG is entitled under a separate contract with the investor.</p>
Taxation	<p>The Company is subject to Luxembourg legislation. In accordance with current legislation in the Grand Duchy of Luxembourg, the Company is not subject to any Luxembourg withholding, income, capital-gains or wealth taxes. From the total net assets of each Subfund, however, a tax of 0.05% p.a. ("taxe d'abonnement") payable to the Grand Duchy of Luxembourg is due at the end of every quarter (reduced taxe d'abonnement amounting to 0.01% p.a. for certain share classes). Further details can be found under "An overview of the share classes". This tax is calculated on the total net assets of each Subfund at the end of every quarter.</p> <p>Shareholders should be aware that the Luxembourg Law of 21 June 2005 has transposed into Luxembourg law Council Directive 2003/48/EC of 3 June 2003 on the taxation of interest. Since 1 July 2005, this Law has provided for the imposition of a withholding tax on cross-border interest payments to individuals domiciled in the EU or for an automatic information exchange. This applies, inter alia, to distributions and dividends payable by investment funds which invest more than 15%, and earnings from the assignment or repayment of shares in investment funds which invest more than 40% (from 1 January 2011: 25%) in debt instruments and claims as defined by the EU taxation of interest. Where necessary, the sales agency or Distributor may, upon subscription, ask investors to give their tax identification number provided by the state in which they are domiciled for tax purposes. The taxable values shown are based on the most recently available data at the time they were calculated.</p> <p>Provided the Subfund in question is not subject to EU taxation of interest or the shareholders are not affected thereby, shareholders are not required, under current tax law, to pay any income, gift, inheritance or other tax in Luxembourg unless they are domiciled in Luxembourg, have a residence in Luxembourg or maintain a permanent establishment there, or were previously domiciled in Luxembourg and hold more than 10% of the shares in the Company.</p> <p>On 13 November 2008, the European Commission accepted a proposal for the amendment of the Savings Directive. If the amendment proposal is implemented, among other things, (i) the scope of the EU Savings Directive would be expanded to include payments distributed by certain intermediary structures (regardless of whether their registered office is in an EU Member State or not) and whose final beneficiary is a private person resident in the EU and (ii) the definition of interest that falls within the scope of the EU Savings Directive would be further established. As at the date the prospectus was being drawn up, it is not known whether and if or when the proposed amendment will enter into force.</p> <p>The aforementioned represents a summary of the fiscal effects and makes no claim to be exhaustive. It is the responsibility of purchasers of shares to seek information on the laws and regulations governing the purchase, possession and sale of shares in connection with their place of residence and their nationality.</p> <p>Investors in the United Kingdom</p> <p>The Company is an offshore fund for tax purposes within the scope of the (tax) laws of the United Kingdom on offshore funds, which entered into force on 1 December 2009 and expanded the previous tax laws that applied to investments in offshore funds.</p> <p>Income earned by investors in the United Kingdom through the sale (e.g. transfer or redemption) of units in an offshore investment fund that are permitted as defined in the Offshore Funds Act is subject to capital gains tax (or corporate tax on chargeable gains) and not to income tax. Income earned by investors in the United Kingdom through the sale (e.g. transfer or redemption) of units in an offshore investment fund that is not permitted as defined in the Offshore Funds Act may be subject to income tax (instead of capital gains tax).</p> <p>Since 1 December 2009 only during a transitional period, offshore funds may apply to HM Revenue & Customs (United Kingdom tax authorities) for approval as offshore</p>

	<p>funds with the status "Distributing Fund" or "Reporting Fund".</p> <p>The application for approval may be submitted for one or more Subfunds within an umbrella fund or for one or more specific share/unit classes of a Subfund. For purposes of taxation in the United Kingdom, an investment in a share/unit class with the status "Distributing Fund" or "Reporting Fund" is treated as an investment in an approved offshore fund. After the transitional period, only investments in a Subfund or a share/unit class of a specific Subfund with the status of "Reporting Fund" are considered to be investments in a permitted offshore fund.</p> <p>The members of the Board of Directors may at their discretion apply for the status of a permitted offshore fund for certain Subfunds or share/unit classes. Wherever such an application is made, the members of the Board of Directors intend to manage the fund in such a way that an investment in specific unit classes is considered to be in a permitted offshore fund for all accounting periods and it is ensured to HM Revenue & Customs that the corresponding requirements are or will be fulfilled. However, the members of the Board of Directors assume no guarantee that these requirements will actually be fulfilled or that HM Revenue & Customs confirm the fulfilment of these requirements.</p> <p>The attention of persons with ordinary residence in the United Kingdom is drawn to the provisions of Book 13, Chapter 2 of the Income Tax Act 2007 ("Transfer of assets abroad"), which states that under certain circumstances they may be taxable in relation to non-distributed income and profits of the Subfund achieved with an investment in a Subfund or such gains and income that are not payable to such person in the United Kingdom.</p> <p>In addition, the provisions of Section 13 of the Taxation of Chargeable Gains Act of 1992 must be observed that apply to the distribution of chargeable gains of companies not domiciled in the United Kingdom and which would be "close companies" if they were domiciled in the United Kingdom. These gains are distributed to investors who have their ordinary place of abode or residence in the UK. Profits distributed in this manner are taxable for all investors who hold a share of more than 10% of the distributed profit either individually or together with associated persons. The members of the Board of Directors intend to make every reasonable effort to ensure that the Subfund(s) would not be classified as a "close company" within the meaning of Section 13 of the Taxation of Chargeable Gains Act if they were domiciled in the UK. Moreover, when assessing the effects of Section 13 of the Taxation of Chargeable Gains Act of 1992, it is important to ensure that the regulations of the double taxation agreement between the United Kingdom and Luxembourg are taken into account.</p>
Daily price publication	<p>The net asset value per share is published each day in the "Luxemburger Wort". Prices are also published in the most important international business media as well as on Reuters and at www.ubs.com (⇒ Fund Gate).</p>
Procedures for the acquisition and redemption of shares	<p>Subscriptions and redemptions of Subfund shares are accepted on the basis of the net asset value at the Administrative Agent, the Custodian Bank or the Company as well as any other sales agency. Subscription and redemption applications registered with the Administrative Agent or the central settling agent of UBS Investment Bank in Switzerland – a unit of UBS AG – no later than 16.00 CET (cut-off time) on a business day (order date) will be processed on the following business day (valuation date) on the basis of the net asset value calculated for that day. For subscriptions registered with the Administrative Agent or the central settling agent of UBS Investment Bank in Switzerland – a unit of UBS AG – after 16.00 (Central European Time) on a business day, the order date is considered to be the following business day.</p> <p>The same applies to the conversion of shares of the Subfund into shares of other Subfunds of the UBS (Lux) Equity SICAV performed on the basis of the net asset values of the Subfunds concerned.</p> <p>The local Paying Agent will undertake the corresponding transaction on behalf of the final investor or the nominee. Costs incurred for the services of the Paying Agent may be charged to the investor.</p> <p>Costs incurred by investors in connection with the purchase and sale of shares of the Subfund.</p> <ul style="list-style-type: none"> - Issuing commission: max. 6% - Redemption commission: max. 2%

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- Commission on conversion within the same umbrella: max. 3%

Additional important information

Legal form:	The Subfund belongs to UBS (Lux) Equity SICAV, a "Société d'Investissement à Capital Variable" under Luxembourg law in accordance with Part I of the Law of 20 December 2002 relating to undertakings for collective investment.
Company:	UBS (Lux) Equity SICAV
Promoter:	UBS AG, Basel and Zürich
Portfolio Manager:	UBS AG, UBS Global Asset Management (Americas) Inc., Chicago Subdelegation of portfolio management to: BTG Pactual Asset Management S.A. DTVM
Supervisory authority:	Commission de Surveillance du Secteur Financier
Custodian Bank:	UBS (Luxembourg) S.A., Luxembourg
Auditor:	PricewaterhouseCoopers, S.à r.l., B.P. 1443, L-1014 Luxembourg
Creation date of UBS (Lux) Equity SICAV:	7 October 1996
Launch date of the Subfund:	10 May 2007
Net assets:	USD 455.59 million as at 31 May 2010

Share class	Currency	Initial issue price	Minimum subscription *	Smallest tradable unit	Form of custody*	Swiss securities identification number	ISIN number
(USD) P-dist	USD	100	-	0.001	bearer	2909438	LU0286682447
(USD) P-acc	USD	100	-	0.001	bearer	2909491	LU0286682959
(USD) N-dist	USD	100	-	0.001	bearer	not yet known	not yet known
(USD) N-acc	USD	100	-	0.001	bearer	not yet known	not yet known
(USD) H-dist	USD	500,000	-	0.1	bearer	not yet known	not yet known
(USD) H-acc	USD	500,000	-	0.1	bearer	not yet known	not yet known
(USD) K-1-dist	USD	5 million	-	0.1	bearer	not yet known	not yet known
(USD) K-1-acc	USD	5 million	-	0.1	bearer	not yet known	not yet known
(USD) K-2-dist	USD	100,000	-	0.001	registered	not yet known	not yet known
(USD) K-2-acc	USD	100,000	-	0.001	registered	not yet known	not yet known
(USD) F-dist	USD	100	-	0.001	registered	not yet known	not yet known
(USD) F-acc	USD	100	-	0.001	registered	not yet known	not yet known
(USD) Q-dist	USD	100	-	0.001	bearer	not yet known	not yet known
(USD) Q-acc	USD	100	-	0.001	bearer	4732510	LU0399009397
(USD) I-88-dist	USD	100	-	0.001	bearer	not yet known	not yet known
(USD) I-88-acc	USD	100	-	0.001	bearer	not yet known	not yet known

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(USD) I-82-dist	USD	100	10 million	0.001	bearer	not yet known	not yet known
(USD) I-82-acc	USD	100	10 million	0.001	bearer	not yet known	not yet known
(USD) I-74-dist	USD	100	30 million	0.001	bearer	not yet known	not yet known
(USD) I-74-acc	USD	100	30 million	0.001	bearer	not yet known	not yet known
(USD) I-18-dist	USD	100	-	0.001	registered	not yet known	not yet known
(USD) I-18-acc	USD	100	-	0.001	registered	not yet known	not yet known
(USD) I-X-dist	USD	100	-	0.001	registered	not yet known	not yet known
(USD) I-X-acc	USD	100	-	0.001	registered	not yet known	not yet known
(USD) U-X-dist	USD	10,000	-	0.001	registered	not yet known	not yet known
(USD) U-X-acc	USD	10,000	-	0.001	registered	not yet known	not yet known
(EUR) P-dist	EUR	100	-		bearer	not yet known	not yet known
(EUR) P-acc	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) N-dist	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) N-acc	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) H-dist	EUR	300,000	-	0.001	bearer	not yet known	not yet known
(EUR) H-acc	EUR	300,000	-	0.1	bearer	not yet known	not yet known
(EUR) K-1-dist	EUR	3 million	-	0.1	bearer	not yet known	not yet known
(EUR) K-1-acc	EUR	3 million	-	0.1	bearer	not yet known	not yet known
(EUR) K-2-dist	EUR	100,000	-	0.1	registered	not yet known	not yet known
(EUR) K-2-acc	EUR	100,000	-	0.001	registered	not yet known	not yet known
(EUR) F-dist	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) F-acc	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) Q-dist	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) Q-acc	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) I-88-dist	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) I-88-acc	EUR	100	-	0.001	bearer	not yet known	not yet known
(EUR) I-82-dist	EUR	100	5 million	0.001	bearer	not yet known	not yet known
(EUR) I-82-acc	EUR	100	5 million	0.001	bearer	not yet known	not yet known
(EUR) I-74-dist	EUR	100	20 million	0.001	bearer	not yet known	not yet known
(EUR) I-74-acc	EUR	100	20 million	0.001	bearer	not yet known	not yet known
(EUR) I-18-dist	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) I-18-acc	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) I-X-dist	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) I-X-acc	EUR	100	-	0.001	registered	not yet known	not yet known
(EUR) U-X-dist	EUR	10,000	-	0.001	registered	not yet known	not yet known
(EUR) U-X-acc	EUR	10,000	-	0.001	registered	not yet known	not yet known

*Further information on the form of custody can be found in the full sales prospectus.

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