

Simplified Prospectus of the Subfund UBS (Lux) Strategy Fund – Growth (USD)

Investment fund under Luxembourg law ("fonds commun de placement")

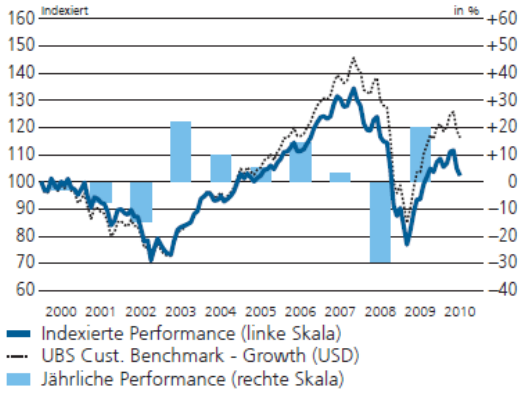
Established in accordance with Part I of the Law of 20 December 2002 on undertakings for collective investment

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

Investment objective	The Subfund's investment objectives consist in achieving optimal investment returns while giving due consideration to capital security and the liquidity of the net assets.
Investment policy	<p>The assets of the Fund are invested following the principle of risk diversification. The aim of the investment policy is to seek attractive interest income in terms of the currency of account while assuming a very low level of risk. To this end, investments will be made on a broadly diversified basis throughout the world, exclusively in interest-bearing instruments.</p> <p>Fund investments are made in the currencies that are most suitable for the Fund's performance. Investments may be made worldwide. The currency risks of the investments in other currencies are actively managed with respect to the currency of account and, if necessary, completely hedged. In line with the investment principles outlined in the full sales prospectus, the Subfund may buy or sell futures and options, enter into swap transactions (swaps, total return swaps, credit default swaps) on financial instruments pursuant to the investment principles 1.1 g) and conduct transactions involving options on securities other than for hedging purposes.</p> <p>The securities warrants, options, futures and swaps markets are volatile; both the opportunity to achieve gains as well as the risk of suffering losses are higher than with investments in securities. These techniques and instruments will be employed only if they are compatible 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 in point 1.1. These techniques and instruments do not play a central role in achieving the investment policy's aims.</p> <p>The currency of account of the Subfund is the USD.</p>
Risk profile	Subfund investments may be subject to substantial fluctuations and no guarantee can be given that the value of a Subfund unit will not fall below its value at the time of acquisition.

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	<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 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 - changes in raw material prices and energy resources. <p>By diversifying investments, the Portfolio Manager seeks to partially reduce the negative impact of these risks on the value of the Subfund.</p>
Portfolio turnover	The portfolio turnover of the Subfund amounted to 64.78% as at 31 January 2010.
Performance as at end of June 2010	<p>Performance (Basis USD, nach Abzug von Gebühren)</p>  <p>The chart displays three data series from 2000 to 2010. The left y-axis (Indexiert) ranges from 60 to 160. The right y-axis (in %) ranges from -40 to +60. The x-axis shows years from 2000 to 2010. The 'Indexierte Performance (linke Skala)' is a solid blue line. The 'UBS Cust. Benchmark - Growth (USD)' is a dashed black line. The 'Jährliche Performance (rechte Skala)' is represented by blue bars. The indexed performance starts at 100 in 2000, dips to around 70 in 2002, rises to a peak of about 140 in 2007, and ends at approximately 110 in 2010. The benchmark follows a similar trend but is generally lower. Annual performance bars show significant volatility, with notable gains in 2003, 2004, 2005, 2006, 2007, and 2009, and losses in 2002, 2008, and 2009.</p> <p>Data as at end of June 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 money 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	The Subfund is suitable for investors oriented towards capital gains who are seeking a globally diversified, rounded portfolio denominated in USD.
Distribution policy	Unit classes with "acc" as part of their name do not entitle the holder to distributions. The income from these units is automatically reinvested.
Description of unit classes	Not all the types of unit class described below have to be offered at all times. The table below lists the unit classes currently available. The Management Company may decide to set up and offer corresponding unit classes of these types at an appropriate time. With each subsequent adjustment to the prospectus, the following descriptions of the type of unit classes and the tables below the sections "Expenses charged to the Subfund" and "Additional important information" will be adapted.

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P	Units in classes with “P” in their name are available to all investors. Unit class “P” differs from unit classes “H” and “K-1” with regard to the level of the flat fee. Only bearer units are issued.
N	Units in classes with “N” in their name (=units 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 units are issued.
H	Units in classes with “H” in their name are available to all investors. Unit class “H” differs from unit classes “P” and “K-1” with regard to the level of the flat fee. Only bearer units are issued.
K-1	Units in classes with “K-1” in their name are available to all investors. Unit class “K-1” differs from unit classes “P” and “H” with regard to the level of the flat fee. Only bearer units are issued.
K-2	Units 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 units are issued.
F	Units 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 units in the Fund. UBS AG or its selected banking subsidiaries may return these units to the Fund at the prevailing net asset value and at no charge. Only registered units are issued.
Q	<p>Units 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 unit 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 by the Board of Directors.</p> <p>Only bearer units are issued.</p>
I-72; I-66; I-56	Units in classes with “I-72”, “I-66” and “I-56” in their name are exclusively reserved for institutional investors. Only bearer units are issued.

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	I-6.5	Units in classes with "I-6.5" 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 Management 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 units are issued.
	I-X	Units 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 Management Company, Administrative Agent and Custodian Bank) and distribution are charged to investors under the aforementioned agreements. Only registered units are issued.
	U-X	Units 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 Management Company, Administrative Agent and Custodian Bank) and distribution are charged to investors under the aforementioned agreements. This unit class is exclusively geared towards financial products (i.e. fund of funds or other pooled structures in accordance with different legislation). Only registered units are issued.

Expenses paid by the Subfund

Annual expenses paid by the Subfund:

Unit class	Currency	Launch period/ date ¹⁾	Maximum fee p.a.	Taxe d'abonnement p.a.	Total Expense Ratio (TER) p.a.
P-acc	USD	13.09.1991	1.800% ²⁾	0.05%	1.84% p.a. as at 31.01.2010
N-acc	USD	not yet known	1.980% ²⁾	0.05%	not yet known
H-acc	USD	not yet known	1.400% ²⁾	0.05%	not yet known
K-1-acc	USD	not yet known	1.100% ²⁾	0.05%	not yet known
K-2-acc	USD	not yet known	0.900% ^{2) 3)}	0.05%	not yet known
F-acc	USD	not yet known	1.100% ^{2) 3)}	0.01%	not yet known
Q-acc	USD	not yet known	0.900% ²⁾	0.05%	not yet known
I-72-acc	USD	not yet known	0.720% ²⁾	0.01%	not yet known
I-66-acc	USD	not yet known	0.660% ²⁾	0.01%	not yet known
I-56-acc	USD	not yet known	0.560% ²⁾	0.01%	not yet known
I-6.5-acc	USD	not yet known	0.065% ⁴⁾	0.01%	not yet known
I-X-acc	USD	not yet known	0.000% ⁵⁾	0.01%	not yet known

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	U-X-acc	USD	not yet known	0.000% ⁵⁾	0.01 %	not yet known
	<p>¹⁾ In the table above, “not yet known” is used for unit 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.</p> <p>²⁾ The Subfund will be charged a maximum flat fee for unit classes “P”, “N”, “H”, “K-1”, “K-2”, “F”, “Q”, “I-72”, “I-66” and “I-56”, calculated on the average net asset value of the Subfund. This will be used for Fund administration (comprising the costs of the Management Company, Administrative Agent and Custodian Bank), asset management and distribution of the Subfund, as well as for covering the costs incurred. The maximum flat fee will not be charged until the corresponding unit classes have been launched.</p> <p>Out of the monthly flat fee, the Subfund will bear all costs incurred in connection with the management, administration, portfolio management and safekeeping of the Subfund’s assets as well as distribution of the Subfund, such as:</p> <ul style="list-style-type: none"> • annual fees and expenses for approving and supervising the Subfund in Luxembourg and abroad; • other fees charged by the supervisory authorities; • printing of the regulations, prospectuses and annual and semi-annual reports; • price publications and publication of notices to investors; • fees incurred in connection with the listing of the Subfund and sales within Luxembourg and abroad; • commission and expenses of the Custodian Bank for the safekeeping of the Subfund’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. <p>The Custodian Bank, Administrative Agent and Management 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 Subfund.</p> <p>The Subfund will also bear all transaction expenses arising in connection with the administration of the Subfund’s assets (brokerage commission in line with the market, fees, fiscal charges, etc.).</p> <p>All taxes levied on the income and assets of the Subfund, particularly the taxe d’abonnement, will also be borne by the Subfund.</p> <p>³⁾ For unit 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.</p> <p>⁴⁾ For unit class “I-6.5”, a fee will be charged to the Subfund to cover the costs of Fund administration (comprising the costs of the Management 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 unit classes “I-X” and “U-X” pertaining to asset management, Fund administration (comprising the costs of the Management 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 Fund is subject to Luxembourg legislation. In accordance with current legislation in the Grand Duchy of Luxembourg, the Fund 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 unit classes). This tax is calculated on the total net assets of each Subfund at the end of every quarter.</p> <p>Unitholders should be aware that the Luxembourg Law of 21 June 2005 has transposed Council Directive 2003/48/EC dated 3 June 2003 concerning the taxation of interest into Luxembourg law. 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 redemption of units 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.</p> <p>The taxable values shown are based on the most recently available data at the time they were calculated.</p> <p>On 13 November 2008, the European Commission accepted a proposal for the</p>					

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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.

Providing the Subfund in question is not subject to EU taxation of interest or the unitholder is not affected by it, under current tax law unitholders are not required to pay any income, gift, inheritance or other tax in Luxembourg. If the unitholder is domiciled in Luxembourg, has a permanent residence or establishment in Luxembourg or was previously domiciled in Luxembourg and holds more than 10% of the units of the Fund, he will not be exempt from the aforementioned taxes.

The aforementioned represents a summary of the fiscal effects and makes no claim to be exhaustive. It is the responsibility of purchasers of units to seek information on the laws and regulations governing the purchase, possession and sale of units in connection with their place of residence and their nationality.

Investors in the United Kingdom

The Fund 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.

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).

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 funds with the status "Distributing Fund" or "Reporting Fund".

The application for approval may be submitted for one or more Subfunds within an umbrella fund or for one or more specific unit classes of a Subfund. For purposes of taxation in the United Kingdom, an investment in a 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 unit class of a specific Subfund with the status of "Reporting Fund" are considered to be investments in a permitted offshore fund.

The members of the Board of Directors may at their discretion apply for the status of a permitted offshore fund for certain Subfunds or 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.

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

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	<p>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	Prices are published in the most important international business media as well as on Reuters and at www.ubs.com (⇒ Fund Gate).
Procedures for the acquisition and redemption of units	<p>Subscriptions and redemptions of Subfund units are accepted on the basis of the net asset value at the Administrative Agent, the Custodian Bank or the Management Company as well as any other sales agency. Subfund units may also be subscribed through savings plans, payment plans or conversion plans, in accordance with the locally prevailing market standards. Further information on this subject can be requested from local sales agencies. Subscription or 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 (Central European 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 subscription or redemption applications 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. To secure punctual forwarding to the Administrative Agent or the central settling agent of UBS Investment Bank in Switzerland, earlier cut-off times may apply for submission of applications placed with Distributors in Luxembourg or abroad. Information may be obtained from the Distributor concerned. This means that the net asset value for settlement purposes is not known when the order is placed (forward pricing). It will be calculated on the valuation date on the basis of the latest market prices (i.e. closing prices, or if they do not reflect a reasonable market value in the opinion of the Management Company, at the most recent prices available at the time of valuation).</p> <p>The same applies to the conversion of units of the Subfund into units of other Subfunds of the UBS (Lux) Strategy Fund performed on the basis of the net asset values of the Subfunds concerned. The local Paying Agent will undertake the corresponding transaction on behalf of the final investor on a nominee basis. 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, sale and conversion of units of the Subfund:</p> <ul style="list-style-type: none"> - Issuing commission: max. 6% - Redemption commission: max. 2% - Commission on conversion within the same umbrella: max. 3%.

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Additional important information							
	Legal form:		The Subfund belongs to the UBS (Lux) Strategy Fund, a “fonds commun de placement” subject to the law of Luxembourg under Part I of the Law of 20 December 2002 on undertakings for collective investment				
	Management Company:		UBS Fund Management (Luxembourg) S.A.				
	Promoter:		UBS AG, Basel and Zürich				
	Portfolio Manager:		UBS AG, Global Asset Management, Zürich				
	Supervisory authority:		Commission de Surveillance du Secteur Financier				
	Custodian Bank:		UBS (Luxembourg) S.A., Luxembourg				
	Auditor:		Ernst & Young, 7, Parc d'Activité Syrdall, L-5365 Munsbach, Grand Duchy of Luxembourg				
	Creation date of the UBS (Lux) Strategy Fund:		22 July 1991				
	Creation date of the Subfund:		10 September 1991				
	Net assets of the Subfund:		USD 82.14 million as at 30 June 2010				
Unit class	Currency	Initial issue price	Minimum subscription*	Smallest tradable unit	Form of custody*	Swiss securities identification number	ISIN number
P-acc	USD	1,000	-	0.001	bearer	601326	LU0033043865
N-acc	USD	100	-	0.001	bearer	not yet known	not yet known
H-acc	USD	500,000	-	0.1	bearer	not yet known	not yet known
K-1-acc	USD	5.0 million	-	0.1	bearer	not yet known	not yet known
K-2-acc	USD	100,000	-	0.001	registered	not yet known	not yet known
F-acc	USD	100	-	0.001	registered	not yet known	not yet known
Q-acc	USD	100	-	0.001	bearer	not yet known	not yet known
I-72-acc	USD	100	-	0.001	bearer	not yet known	not yet known
I-66-acc	USD	100	10 million	0.001	bearer	not yet known	not yet known
I-56-acc	USD	100	30 million	0.001	bearer	not yet known	not yet known
I-6.5-acc	USD	100	-	0.001	registered	not yet known	not yet known
I-X-acc	USD	100	-	0.001	registered	not yet known	not yet known
U-X-acc	USD	10,000	-	0.001	registered	not yet known	not yet known

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* Further information can be found in the full sales prospectus.

Contacts	Luxembourg:	UBS Fund Services (Luxembourg) S.A., Luxembourg
	Representative in Switzerland:	UBS Fund Management (Switzerland) AG, Basel
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