

UBS Equity Fund Management Company S.A.

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UBS Fund Management (Luxembourg) S.A.

Registered office: 33A avenue J.F. Kennedy, B.P. 91, L-1855 Luxembourg
Commercial register: Luxembourg B 154210

Notice to unitholders of the UBS (Lux) Equity Fund

The Boards of Directors of UBS Equity Fund Management Company S.A., Management Company of the UBS (Lux) Equity Fund (hereinafter the "Fund"), and of UBS Fund Management (Luxembourg) S.A. wish to inform you of the following changes within the framework of the adjustment to the sales prospectus (as of October 2010). **Said changes shall become effective as of 15 October 2010:**

- (1) Instead of UBS Equity Fund Management Company S.A., UBS Fund Management (Luxembourg) S.A. will act as the Fund's Management Company.
- (2) Instead of PricewaterhouseCoopers S.à.r.l., B.P. 1443, L-1014, Ernst & Young S.A., 7, Parc d'Activité Syrdall, L-5365 Munsbach, will act as the Management Company's auditor.
- (3) Pursuant to the provisions of the sales prospectus, a Subfund's net asset value may be increased or reduced if the total subscriptions or redemptions affecting all the unit classes of that Subfund result in a net capital inflow or outflow on a single trading day.
As of 15 October 2010, the maximum adjustment of a Subfund's net asset value will be increased from 1% to 2%.
- (4) The section "Merger of Subfunds/a Subfund with another undertaking for collective investment (UCI)" will be adjusted as follows:

"If, for whatever reason, the net assets of a Subfund fall below a countervalue that makes impossible the economically efficient management in the interests of the investors or if the economic, legal or political environment changes, the Management Company may decide to cancel issued units of the corresponding Subfund and to allocate units in another Subfund or in another UCI under Luxembourg law to unitholders of this Subfund."

- (5) The following passage in the section "Expenses paid by the Fund" will be deleted and not replaced:

"If, in accordance with the above paragraph, the Management Company invests in units of a related fund that charges a lower flat fee than that charged by the Subfund making the investment, the Management Company may, instead of the aforementioned lower flat fee, charge the volume invested in this target fund with the difference between the flat fee charged by the Subfund making the investment on the one hand and the flat fee of the target fund on the other."

Owing to a legal adjustment in one of the Fund's sales countries, the ban on the double charging of costs when transferring investments from a collective capital investment to another investment of the same authorised party, or one closely associated to him, shall be lifted. Said ban ("Double Dip" ban) is contained in the section "Expenses charged to the Fund". In addition to the new wording of the passage concerned, the maximum limit of 0.25% reflected in the sales prospectus in the event of such double charging shall be deleted and not replaced.

The changes outlined shall be included in the full sales prospectus, as of October 2010.

Furthermore, the required adjustments shall be made to the Fund's Management Regulations and lodged with the Registre de Commerce et des Sociétés (RCS) on 15 October 2010; they shall come into effect on said date. The full and simplified prospectuses can be obtained free of charge from the Management Company's registered office, the Custodian Bank and the Paying and Information Agents.

The changes in points (1) to (5) shall enter into force on 15 October 2010. The changes outlined under (3) and (5) are binding for all unitholders who have not applied for free redemption of their units by 14 October 2010.

Please do not hesitate to contact us if you require any further information.

Luxembourg, September 2010

The Board of Directors
of UBS Equity Fund Management Company S.A.
UBS Fund Management (Luxembourg) S.A.

The Board of Directors
of