

# Socially Responsible Investing Series

## Investor Considerations

### Summary of Risks

You can lose money by investing in the Trust. This can happen for various reasons. A further discussion of the risks summarized below can be found in Part B of the Prospectus.

#### 1. Special Risks of Investing in the Trust

The 20 common stocks held by the Portfolio generally have higher dividend yields or lower prices relative to the other stocks in the Domini 400 Social Index and Mergent's Broad Dividend Achievers Index (the "Indices") for a variety of reasons. For example:

- the issuers of the stocks may be having financial difficulties;
- the stocks may be reacting to general market cycles;
- the stocks may not be viewed favorably by the market because of poor earnings forecasts, negative publicity, weak performance, litigation or legislation; and
- other market factors may have caused relatively lower prices and higher dividend yields on the stocks

The 20 Portfolio stocks may experience changes in their dividend rates or share prices which may reduce their total return potential during the life of the Trust. Portfolio performance can be expected to vary from the performance of the Indices or the historical performance of the Investment Strategy.

#### 2. Risks of Investing in the Trust

Certain risks are involved with an investment in a unit trust that holds common stocks. For example:

##### The Trust Is Not "Managed"

- The Trust, unlike a mutual fund, is not "managed" and stocks will not be sold by the Trust from the Portfolio to take advantage of market fluctuations.
- The Trust holds a fixed Portfolio of stocks chosen from the 20 highest dividend yielding stocks of all the overlapping Index stocks on the second Business Day\* prior to the date of the Prospectus. For this reason, the Trust's "yearly" performance will not be measured from February 1st through January 31st, as are the performance data for the indexes and the constructed Portfolio in the prospectus.
- Since the Trust is fixed and not managed like a mutual fund, the Trust will not buy and sell Portfolio stocks to match the most current highest dividend yielding stocks. Additionally, because the stocks in the Indices may change, the stocks held in the Portfolio may no longer be included in the Indices.
- The Trust may, in the future, continue to buy more of the stocks held by the Trust when additional Units are offered to the public or for the Reinvestment Plan, even though those stocks may no longer be the highest dividend yielding of all the overlapping Index stocks or may no longer be in the Indices at the time such purchases are made by the Trust.
- The Portfolio does not reflect any investment recommendations and one or more of the stocks in the Portfolio, may, from time to time, be subject to the Sponsor's "reduce" recommendation.

### **The Trust May Sell Portfolio Stocks**

- The Portfolio may not remain constant during the life of the Trust. The Trustee may be required to sell Portfolio stocks to pay expenses and/or to meet redemptions. Stocks will be sold in a way to maintain, as closely as possible, the proportionate relationship among the stocks. Certain Portfolio stocks may also be sold, exchanged or tendered under certain circumstances or in the event certain serious negative events occur with respect to those stocks.
- The sale of stocks from the Trust in the period prior to termination and upon termination may result in a lower amount than might otherwise be realized if such sale were not required at such time due to impending or actual termination of the Trust. For this reason, among others, the amount you receive upon termination may be less than the amount you paid.
- If many investors sell their Units, the Trust will have to sell Portfolio stocks. This could reduce the diversification of your investment and increase your share of Trust expenses.

### **The Price and Value of Units Will Fluctuate During the Trust's Term**

- The price of your Units depends upon the full range of economic and market influences including the prices of equity securities, the condition of the stock markets and other economic or political influences that affect the global or United States economy.
- Assuming no changes occur in the prices of the Portfolio stocks held by the Trust, the price you receive for your Units will generally be less than the price you paid because your purchase price included a sales charge and because of the deduction of various charges, fees and expenses.
- Although the stocks in the Trust's Portfolio are generally highly liquid, the Trust's Portfolio may hold small and mid-cap stocks. Stocks of small companies are often more volatile than those of larger companies as a result of several factors including limited trading volumes, products or financial resources, management inexperience and less publicly available information. The value of the Trust's Portfolio, and of your investment, may be reduced if trading in one or more stocks is limited or absent.
- Additional stocks may be purchased by the Trust when additional Units are offered to the public or for the Reinvestment Plan. Costs, such as brokerage fees, incurred in purchasing such additional stocks will be borne by the Trust. Your Units will be worth less as a result of the Trust's payment of these brokerage fees and other expenses.

### **Financial Services Industry Concentration Risk**

- Because approximately 60% of the Trust is invested in financial services companies, the Trust is considered to be concentrated in the financial services industry, which includes banks, thrifts, financial services companies, and investment firms. A portfolio concentrated in a single industry may present more risks than a portfolio broadly diversified over several industries. Banks, thrifts and their holding companies are especially subject to the adverse effects of economic recession; volatile interest rates; portfolio concentrations in geographic markets and in commercial and residential real estate loans; and competition from new entrants in their fields of business. Profitability is largely dependent on the availability and cost of capital funds, and can fluctuate significantly when interest rates change. Credit losses resulting from financial difficulties of borrowers can negatively impact this sector. Financial services companies are still extensively regulated at both the federal and state level and may be adversely affected by increased regulations, which may limit the amounts and types of loans and other financial commitments that they can make.
- Banks and thrifts face increased competition from nontraditional lending sources as regulatory changes, such as the financial services overhaul legislation, permit new entrants to offer various

financial products. Technological advances such as the Internet allow these nontraditional lending sources to cut overhead and permit more efficient use of customer data.

- Brokerage firms, broker/dealers, investment banks, finance companies and mutual fund companies are also financial services providers. These companies compete with banks and thrifts to provide traditional financial services products, in addition to their traditional services, such as brokerage and investment advice. In addition, all financial services companies face shrinking profit margins due to new competitors, the cost of new technology and the pressure to compete globally.

### **3. General Risks of Investing in Stocks**

Investing always involves risks. The risks described below are the most significant risks associated with investing in the Portfolio stocks held by the Trust.

- The stocks held by the Trust can be expected to fluctuate in value depending on a wide variety of factors, such as economic and market influences affecting corporate profitability, financial condition of issuers, changes in worldwide or national economic or political conditions, the prices of equity securities in general and the Trust's stocks in particular.
- The stocks held by the Trust may not perform as well as expected, and other trusts with similar investment objectives may hold stocks that outperform the Trust's stocks during the Trust's lifetime.
- Holders of common stocks such as those held by the Trust have rights that are generally inferior to the holders of debt obligations or preferred stocks.
- Common stocks are not obligations of the issuer of the stocks. Therefore, they do not provide any guaranteed income or provide the degree of protection of debt securities.

### **4. Is This Investment Appropriate for You?**

Yes, if you are seeking total return over the life of the Trust by investing in common stocks issued by companies screened for environmental, social and governance factors that the Sponsor believes have current dividend income and capital appreciation potential. You can benefit from a portfolio whose risk is reduced by investing in stocks of several different issuers from various industries.

No, if you want a managed investment that changes to take advantage of market movements, if you are uncomfortable with the Investment Strategy, you are unable or unwilling to assume the risks involved generally with equity investments or if you need high current income or seek preservation of capital.

\* A "Business Day" is defined as any day that the New York Stock Exchange is open for business. For a complete list of current New York Stock Exchange holidays please see "Valuation" in the Prospectus Part B.

**UITs are sold by prospectus only.**

**Investors should consider the investment objectives, risks, charges and expenses associated with this investment and should carefully review the prospectus containing this and other information, before investing.**

**Please contact your Financial Advisor for a prospectus. Please read it carefully before you invest or send money.**

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