



Index Guideline relating to the

UCITS HFS Index Series

Version 1.2 dated July 4th, 2011

Introduction

This document (the “**Index Guideline**”) contains the principles, rules and regulations (the “**Index Rules**”) regarding the composition, calculation and publication of the UCITS HFS Index Series (each such index an “**Index**”, jointly the “**Indices**”). Structured Solutions AG and its vicarious agents shall make every effort to implement the Index Rules. Structured Solutions AG does not offer any express or implied guarantee or assurance, neither pertaining to the results from the use of the Indices nor the Index Values at any certain point in time nor in any other respect. The Indices are merely calculated by Structured Solutions AG and published via the Market Price Dissemination System of Boerse Stuttgart AG and it shall use its best endeavours to ensure the correctness of the calculation. There is no obligation for Structured Solutions AG – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the Indices. The publication of the Indices by Structured Solutions AG does not constitute investment advice and does not contain any assurance or recommendation of Structured Solutions AG regarding a possible investment in a financial instrument based on the Indices.

1. General Description

The Indices are calculated and published by Structured Solutions AG (the “**Index Calculator**”) or its vicarious agents.

1.1 Index Descriptions

1.1.1 UCITS HFS Index

The UCITS HFS Index tracks the performance of all Eligible Funds.

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index	Euro	A1CRKR	DE000A1CRKR9	UCITS Index	.UCITS

1.1.2 UCITS HFS Index Arbitrage

The UCITS HFS Index Arbitrage tracks the performance of all Eligible Funds that are classified into the Substrategy “Arbitrage Strategy”.

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Arbitrage is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Arbitrage	Euro	A1CRKS	DE000A1CRKS7	UCITSARB Index	.UCITSARB

1.1.3 UCITS HFS Index Convertible

The UCITS HFS Index Convertible tracks the performance of all Eligible Funds that are classified into the Substrategy “Convertible Strategy”.

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Convertible is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Convertible	Euro	A1CRKT	DE000A1CRKT5	UCITSCON Index	.UCITSCON

1.1.4 UCITS HFS Index Credit

The UCITS HFS Index Credit tracks the performance of all Eligible Funds that are classified into the Substrategy “Credit Strategy”.

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Credit is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Credit	Euro	A1CRKU	DE000A1CRKU3	UCITSCRE Index	.UCITSCRE

1.1.5 UCITS HFS Index CTA

The UCITS HFS Index CTA tracks the performance of all Eligible Funds that are classified into the Substrategy “CTA Strategy”. The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009. The UCITS HFS Index CTA is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index CTA	Euro	A1CRKV	DE000A1CRKV1	UCITSCTA Index	.UCITSCTA

1.1.6 UCITS HFS Index Currency

The UCITS HFS Index Currency tracks the performance of all Eligible Funds that are classified into the Substrategy “Currency Strategy”. The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009. The UCITS HFS Index Currency is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Currency	Euro	A1CRKW	DE000A1CRKW9	UCITSCUR Index	.UCITSCUR

1.1.7 UCITS HFS Index Event Driven

The UCITS HFS Index Event Driven tracks the performance of all Eligible Funds that are classified into the Substrategy “Event Driven Strategy”. The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009. The UCITS HFS Index Event Driven is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Event Driven	Euro	A1CRKX	DE000A1CRKX7	UCITSEVD Index	.UCITSEVD

1.1.8 UCITS HFS Index Fixed Income

The UCITS HFS Index Fixed Income tracks the performance of all Eligible Funds that are classified into the Substrategy “Fixed Income Strategy”. The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009. The UCITS HFS Index Fixed Income is calculated as a total return index using the NAV’s of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Fixed Income	Euro	A1CRKY	DE000A1CRKY5	UCITSFIX Index	.UCITSFIX

1.1.9 UCITS HFS Index Global Macro

The UCITS HFS Index Global Macro tracks the performance of all Eligible Funds that are classified into the Substrategy “Global Macro Strategy”. The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Global Macro is calculated as a total return index using the NAV's of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Global Macro	Euro	A1CRKZ	DE000A1CRKZ2	UCITSGM Index	.UCITSGM

1.1.10 UCITS HFS Index Market Neutral

The UCITS HFS Index Market Neutral tracks the performance of all Eligible Funds that are classified into the Substrategy "Market Neutral Strategy".

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Market Neutral is calculated as a total return index using the NAV's of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Market Neutral	Euro	A1CRK0	DE000A1CRK08	UCITSMN Index	.UCITSMN

1.1.11 UCITS HFS Index Multi Strategy

The UCITS HFS Index Multi Strategy tracks the performance of all Eligible Funds that are classified into the Substrategy "Multi Strategy Strategy".

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index Multi Strategy is calculated as a total return index using the NAV's of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index Multi Strategy	Euro	A1CRK1	DE000A1CRK16	UCITSMS Index	.UCITSMS

1.1.12 UCITS HFS Index L/S Equity

The UCITS HFS Index L/S Equity tracks the performance of all Eligible Funds that are classified into the Substrategy "L/S Equity Strategy".

The Index was launched on February 5th, 2010 with a base Index Value of 100 as of December 31st, 2009.

The UCITS HFS Index L/S Equity is calculated as a total return index using the NAV's of the Relevant Share Class converted into the Index Currency and has the following identifiers:

Index	Index Currency	WKN	ISIN	Bloomberg	Reuters
UCITS HFS Index L/S Equity	Euro	A1CRK2	DE000A1CRK24	UCITSLSE Index	.UCITSLSE

2. Scope

2.1 Index Universe

The Index Universe includes all Eligible Funds.

2.2. Index Component Selection

On each Selection Day the Index Advisor provides the Index Universe. From the Index Universe, the Index Components for each Index are selected according to 1.1 and constitute the respective Index from the Business Day immediately following the next Adjustment Day onwards. In case an Eligible Fund has more than one share class, only the institutional share class with the lowest fee structure is selected as an Index Component.

2.3 Distribution

The Indices are distributed via the market price dissemination of Boerse Stuttgart AG to all affiliated vendors. Each vendor decides individually as to whether it will distribute/display the Indices via its information systems.

2.4 Publication

Specifications and information regarding the Indices will be made available on the <http://www.structured-solutions.de> web page and sub-pages.

3. Weighting

3.1 Initial Weighting

On the Adjustment Day preceding the Index Launch Date, the Index Components are weighted equally in each Index.

3.2 Re-weighting of the Index

The Index Calculator will re-weight the Index Components in each Index on each Adjustment Day (each such procedure a "**Re-weighting**"). All Index Components in each Index will be weighted equally on the Adjustment Days.

The basis for a Re-weighting shall be the Relevant NAV for each of the Index Components on the Adjustment Day.

4. Calculation of the Index

4.1 Index formula

The value of each Index (the “**Index Value**”, which shall be deemed to be a monetary value in the Index Currency) will be calculated and published by the Index Calculator on each Indicative Day and on each End-of-month Day, subject to a Market Disruption Event, in accordance with the following formula and rounded to two decimal places:

$$Index_t = \sum_{i=1}^n x_{i,t} * p_{i,t}$$

with:

$x_{i,t}$ = Number of Fund Shares of the Index Component i on Trading Day t (rounded to 10 decimal places)

$p_{i,t}$ = Relevant NAV of Index Component i on Trading Day t

4.2. Distributions

Distributions of the Index Components are included in the index calculation and lead to an adjustment of the respective Number of Fund Shares. The new Number of Fund Shares is calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{p_{i,t-1}}{p_{i,t-1} - D_{i,t}}$$

with

$x_{i,t}$ = Number of Fund Shares of the Index Component i on Trading Day t (rounded to 10 decimal places)

$D_{i,t}$ = Distribution on Business Day t multiplied by the Distribution Correction Factor of the respective country, if applicable

4.3 Prices and calculation frequency

Each Index is calculated by the Index Calculator on each Indicative Day and each End-of-month Day, using the Relevant NAVs of the Index Components. NAVs not quoted in the Index Currency are converted into the Index Currency using the most recent applicable foreign exchange rates. In the event that data cannot be provided to Reuters or to the pricing services of Boerse Stuttgart AG, the publication and distribution of the Index will temporarily be suspended.

On each Indicative Day, each Index is published at 7:00pm, CET. On each End-of-month Day, each Index is published as soon as all Relevant NAVs of each Index Component are available.

Any error in the calculation may be corrected by the Index Calculator at any time in its sole and absolute discretion, including on a retrospective basis.

4.4 Market Disruption Pertaining to Index Calculation

If, in the determination of the Index Calculator, a Market Disruption Event has occurred on any Business Day, the Index Value of the respective Index will be calculated and published by the Index Calculator on the first succeeding Business Day on which the Index Calculator determines that there is no Market Disruption Event.

If, in the determination of the Index Calculator, a Market Disruption Event has occurred on any Adjustment Day, the Re-weighting of the affected Index shall be postponed to the first succeeding Business Day on which the Index Calculator determines that there is no Market Disruption Event.

On each Indicative Day on which the Index Calculator determines that a Market Disruption Event has occurred and is continuing, the Index Calculator shall not calculate or publish the Index Value of the affected Index.

4.5 Adjustment Events

This Index Guideline, and each of the clauses herein, may be adjusted, amended, deleted or otherwise altered by the Index Calculator acting in good faith in a commercially reasonable manner at any time, on such date as the Index Calculator shall designate. These adjustments may include, but are not limited to the following:

- (a) Illegality: any adjustments required because it has become unlawful in any applicable jurisdiction to sell or purchase any of the Index Components; or
- (b) UCITS: any adjustments made to the Index to ensure that the Index complies with the requirements of the Council Directive of 20 December 1985 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (No 85/611/EEC) as amended from time to time and supplemented in similar laws or regulations for financial indices; or
- (c) Clarificatory: any adjustments required for clarificatory or for minor or technical reasons; or
- (d) Integrity: such other adjustments as are necessary to ensure the integrity of the Index.

each an “**Adjustment Event**”. The Index Calculator shall publish notices of any Adjustment Events in accordance with the Index Guidelines.

4.6 Notice

On the occurrence of an Adjustment Event, or if otherwise provided for herein, it is the Index Calculator’s intention that notice of the occurrence of the relevant Adjustment Event will be published on the Index Calculator’s web page www.structured-solutions.de.

The Index Calculator may publish such additional notices relating to the Index as it determines necessary, but is under no obligation to publish any particular notice. Such notices may be published on the Index Calculator’s web page www.structured-solutions.de.

4.7 Index Committee

The Index Committee may meet on a quarterly basis and at any other time, at the request of a committee member. The principal purpose of the Index Committee is to decide the need for adjustments to the index composition of an Index and/or the weights of the Index Components of an Index which the Index Committee determines are necessary, as a result of any of: (i) a Market Disruption Event; (ii) a change in the liquidity of an Eligible Fund; and or (iii) the occurrence of any other event which would in the opinion of the Index Calculator, acting in good faith and in a commercially reasonable manner, require an amendment to this Index Guideline to ensure the integrity of the Indices. For the avoidance of doubt, changes to the Index Guideline made by the Index Committee may include, amongst others but without limitation: (i) valuing an Eligible Fund at a value as determined by the Index Calculator, at its sole and absolute discretion, which value may be zero; (iii) suspending the calculation of the Indices until such time as an Eligible Fund NAV becomes available for the relevant Eligible Fund; and (iv) discontinuing the calculation or publication of an Index.

The Index Calculator will publish a notice in accordance with Section 4.6 (Notice) with details of any adjustment to an Index within five Business Days.

5. Definitions

5.1 Substrategies

The Eligible Funds are classified into the following Substrategies (each a **“Substrategy”**, jointly the **“Substrategies”**):

“Arbitrage Strategy”

This strategy comprises all relative value strategies, that don't belong to one of the other strategies defined, exploiting mispricing between two related and often correlating securities. This also comprises, but is not limited to, option based strategies.

“Convertible Strategy”

This strategy tries to generate profit by buying different securities from the same issuer, for example purchasing convertible securities while at the same time shorting the corresponding stock. The combined position is expected to have low or no correlation to the market.

“Credit Strategy”

This strategy tries to take advantage of pricing inefficiencies between credit sensitive securities of different issuers. Instruments commonly traded are Collateralized Debt Obligations and Credit Default Swaps.

“CTA Strategy”

This strategy (often referred to as Managed Futures) generally invests in listed bond, equity, commodity futures and currency markets. Often systematic trading programmes are used that rely on historical market data, while the fund is highly leveraged.

“Currency Strategy”

This strategy tries to take advantage of temporary discrepancies in exchange rates in different money markets by buying a currency in one market and selling it in another market.

“Event Driven Strategy”

This strategy tries to generate profit in “special situations” like liquidations, bankruptcies, restructurings asset-sales, spin-offs, litigations as well as other types of corporate events. This is achieved through investments in the equity, debt, trade claims or derivatives.

“Fixed Income Strategy”

This strategy tries to generate profit from exploiting price anomalies and market inefficiencies between related interest rate securities.

“Global Macro Strategy”

This strategy tries to anticipate market movements by analysing macroeconomic and political trends. Investments can take place in any financial instrument and market worldwide if an opportunity arises.

“Market Neutral Strategy”

This strategy normally uses long and short positions in stocks, trying to exploit opportunities in a specific group of stocks while trying to eliminate market risk by having a neutral exposure to broad groups of stock, either defined by country, region, industry, sector or market capitalization.

“Multi Strategy”

This strategy has the ability to employ different strategies, allocating capital based on market opportunities. Constant positive returns should be delivered by diversification and use of multiple strategies at the same time, thus reducing the risk. Often used strategies (but not limited to) are all kinds of arbitrage strategies and long short equity.

“L/S Equity Strategy”

This strategy invests in both long and short sides of the market, mostly focusing on diversifying or hedging across particular sectors or regions. While not being market neutral, shifting from a net long to net short position is possible, futures, options and equity related securities can be traded.

5.2 Index Series specific definitions

“Adjustment Day” means the last Business Day in March, June, September and December.

“Assets under Management” means the total outstanding Fund Shares multiplied with the NAV of the respective fund. For each fund, the Assets under Management include all share classes.

“Business Day” means any day (other than a Saturday or Sunday) on which the Boerse Stuttgart is open for trading.

“Distribution Correction Factor” is calculated as 1 minus the applicable withholding tax rate and/or other applicable tax rate currently prevalent in the respective country.

“Eligible Fund” means each fund that

- runs an investment strategy described in section 5.1 of this guideline
- that was issued under the European Union Directives for Undertakings for Collective Investments in Transferable Securities, especially Directive 2001/108/EC
- has at least a weekly NAV calculation and publication
- has reported its performance figures for at least one month
- has Assets under Management of at least 10 million EUR.

“End-of-month Day” is the last Business Day of the month.

“Index Advisor” means 2n20.com AG or its vicarious agent or its successor in such function.

“Index Calculator” means Structured Solutions AG or its vicarious agent or its successor in such function.

“Index Committee” means the committee as convened by the Index Calculator and the Index Advisor, for the purpose of considering issues relating to the Indices and comprised of equal numbers of staff from the Index Calculator and the Index Advisor.

“Index Component” means each fund currently included in one of the Indices.

“Index Currency” means Euro.

“Index Launch Date” means 5th February 2010.

“**Index Value**” means the value of an Index as published at approximately 7:00pm, CET on each Indicative Day as determined by the Index Calculator.

“**Indicative Day**” means each Friday which is also a business day. If a Friday is not a business day, the following business day will be the Indicative Day.

“**Market Disruption Event**” means the occurrence of the following event unless the Index Calculator in its sole and absolute discretion determines such event not to be sufficiently material so as to constitute a Market Disruption Event: a general moratorium is declared in respect of banking activities in the country in which any of the Eligible Funds is domiciled.

“**NAV**” means net asset value.

“**Number of Fund Shares**” means in respect of each Index Component and each Adjustment Day, an amount (which may include a fraction of a share), as determined by the Index Calculator, calculated in accordance with the following formula:

$$x_0^i = \frac{I_0 \times w_0^i}{P_0^i}$$

where:

“ I_0 ”	means the Index Value;
“ P_0^i ”	means in respect of the i-th Index Component the final NAV of the Index Component on the Adjustment Day, converted into the Index Currency, if applicable;
“ w_0^i ”	means in respect of the i-th Index Component, the fraction of (A) the number of Index Components and (B) 100;
“ x_0^i ”	means in respect of the i-th Index Component, the Number of Fund Shares

“**Relevant NAV**” is the NAV of each Index component

- For each Indicative Day: The most recent NAV.
- For each End-of-month Day: The NAV of the last Business Day of the month. If 95% of all components have published an End-of month NAV, then the Relevant NAV for the missing 5% is the NAV on the Business Day where the Index Component most recently published an NAV.

“**Selection Day**” is the Business Day five Business Days preceding each Adjustment Day.

“**UCITS**” means Undertakings for Collective Investment in Transferable Securities.

6. Appendix

Contact details

Price and Index licences

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