

GLOBAL MARKET INDEX TOTAL RETURNS AS OF 12/31/2013

	1 Month Return	3 Month Return	YTD Return	1 Year Return	3 Year			5 Year			10 Year Ann Rtn
					Ann Rtn	Stn Dev	Sharpe	Ann Rtn	Stn Dev	Sharpe	
DOMESTIC EQUITY											
S&P 500 Index	2.53%	10.51%	32.39%	32.39%	16.18%	12.11%	1.33	17.94%	15.81%	1.13	7.41%
S&P 500 Consumer Discretionary	2.34%	10.81%	43.08%	43.08%	23.46%	12.94%	1.81	27.69%	18.80%	1.47	9.44%
S&P 500 Consumer Staples	0.59%	8.66%	26.14%	26.14%	16.78%	9.45%	1.77	15.86%	11.24%	1.40	9.95%
S&P 500 Energy	3.12%	8.35%	25.07%	25.07%	11.07%	18.51%	0.59	13.44%	19.49%	0.68	13.44%
S&P 500 Financials	2.17%	10.33%	35.63%	35.63%	13.16%	18.21%	0.72	13.75%	27.45%	0.50	-0.26%
S&P 500 Health Care	0.83%	10.13%	41.46%	41.46%	23.42%	10.93%	2.14	18.29%	13.64%	1.33	8.35%
S&P 500 Industrials	4.25%	13.53%	40.68%	40.68%	17.28%	15.10%	1.14	19.84%	21.68%	0.91	8.58%
S&P 500 Information Technology	4.15%	13.26%	28.43%	28.43%	14.73%	14.18%	1.03	21.90%	17.61%	1.24	7.17%
S&P 500 Materials	4.82%	10.66%	25.60%	25.60%	9.23%	18.75%	0.49	18.80%	22.85%	0.82	8.25%
S&P 500 Telecom Services	-0.28%	5.47%	11.47%	11.47%	11.91%	12.83%	0.92	12.67%	14.67%	0.86	8.14%
S&P 500 Utilities	0.92%	2.79%	13.21%	13.21%	11.20%	10.87%	1.02	10.17%	12.57%	0.80	9.23%
Dow Jones Industrial Average	3.19%	10.22%	29.65%	29.65%	15.71%	11.14%	1.40	16.74%	14.83%	1.12	7.44%
Nasdaq Composite	2.97%	11.13%	40.17%	40.17%	17.87%	13.76%	1.29	22.97%	17.45%	1.31	8.84%
Russell 1000	2.70%	10.23%	33.11%	33.11%	16.30%	12.43%	1.31	18.59%	16.01%	1.15	7.78%
Russell 1000 Growth	2.86%	10.44%	33.48%	33.48%	16.45%	12.35%	1.33	20.39%	15.22%	1.33	7.83%
Russell 1000 Value	2.53%	10.01%	32.53%	32.53%	16.06%	12.88%	1.24	16.67%	17.34%	0.96	7.58%
Russell Mid Cap	2.98%	8.39%	34.76%	34.76%	15.88%	14.23%	1.11	22.36%	18.02%	1.23	10.22%
Russell 2500	2.54%	8.66%	36.80%	36.80%	16.28%	15.85%	1.02	21.77%	19.58%	1.11	9.81%
Russell 2000	1.97%	8.72%	38.82%	38.82%	15.67%	16.68%	0.94	20.08%	20.93%	0.95	9.07%
Russell 2000 Growth	2.05%	8.17%	43.30%	43.30%	16.82%	17.52%	0.96	22.58%	20.61%	1.09	9.41%
Russell 2000 Value	1.88%	9.30%	34.52%	34.52%	14.49%	16.05%	0.90	17.64%	21.61%	0.81	8.61%
Russell 2000 Health Care	1.26%	8.80%	51.66%	51.66%	21.96%	17.93%	1.22	21.02%	19.91%	1.05	11.01%
Russell Micro Cap	2.21%	10.26%	45.62%	45.62%	16.52%	17.33%	0.95	21.05%	22.07%	0.95	6.99%
Russell 3000	2.64%	10.10%	33.55%	33.55%	16.24%	12.71%	1.27	18.71%	16.32%	1.14	7.88%
Russell 3000 Growth	2.79%	10.25%	34.23%	34.23%	16.47%	12.66%	1.30	20.56%	15.54%	1.32	7.95%
Russell 3000 Value	2.48%	9.95%	32.69%	32.69%	15.93%	13.08%	1.21	16.75%	17.61%	0.95	7.66%
INTERNATIONAL EQUITY (USD)											
MSCI All Country World ex US ND	0.88%	4.77%	15.29%	15.29%	5.14%	16.46%	0.31	12.81%	19.80%	0.64	7.57%
MSCI EAFE ND	1.50%	5.71%	22.78%	22.78%	8.17%	16.48%	0.49	12.44%	19.71%	0.63	6.91%
MSCI Emerging Markets ND	-1.45%	1.83%	-2.60%	-2.60%	-2.06%	19.31%	-0.11	14.79%	22.59%	0.65	11.17%
FTSE 100 (London)	2.86%	7.68%	21.56%	21.56%	11.31%	15.65%	0.72	16.36%	19.03%	0.85	7.85%
DAX (Germany)	3.16%	13.35%	30.97%	30.97%	12.86%	24.44%	0.52	14.19%	27.08%	0.52	10.24%
Nikkei 225 (Japan)	1.48%	5.39%	30.48%	30.48%	9.53%	14.57%	0.65	11.66%	17.23%	0.67	6.15%
Shanghai Composite (China)	-4.07%	-1.58%	-0.98%	-0.98%	-4.04%	18.37%	-0.22	7.82%	24.27%	0.32	8.85%
Hang Seng (Hong Kong)	-2.41%	2.22%	6.52%	6.52%	4.00%	19.61%	0.20	13.80%	21.00%	0.65	10.00%
BSE Sensex 30 (India)	2.68%	10.83%	-1.93%	-1.93%	-7.87%	27.90%	-0.28	13.20%	31.64%	0.41	12.02%
BM&F Bovespa (Brazil)	-2.96%	-7.20%	-26.83%	-26.83%	-19.43%	29.91%	-0.65	6.30%	32.23%	0.19	11.03%
FIXED INCOME (USD)											
Barclays US Aggregate	-0.57%	-0.14%	-2.02%	-2.02%	3.26%	2.75%	1.16	4.44%	2.88%	1.51	4.55%
BofAML US High Yield Master II	0.55%	3.50%	7.42%	7.42%	9.03%	6.51%	1.38	18.65%	9.15%	2.03	8.46%
S&P/LSTA US Leveraged Loan 100	0.44%	1.84%	5.04%	5.04%	5.31%	4.92%	1.07	14.28%	8.05%	1.76	5.28%
Barclays Global Aggregate	-0.60%	-0.44%	-2.60%	-2.60%	2.39%	4.42%	0.53	3.91%	5.74%	0.66	4.46%
Barclays Global High Yield	0.94%	3.82%	7.33%	7.33%	9.80%	8.01%	1.22	19.36%	10.15%	1.90	9.31%
BofA ML European High Yield	1.89%	5.91%	14.97%	14.97%	12.52%	15.89%	0.78	23.78%	19.75%	1.20	10.59%
JPM Emerging Mkts Bond Plus	0.48%	0.64%	-8.31%	-8.31%	5.73%	8.27%	0.68	10.73%	7.96%	1.33	8.25%
Barclays Long Term US Treasury	-1.94%	-3.08%	-12.66%	-12.66%	5.53%	12.43%	0.44	2.28%	12.50%	0.17	5.94%
Barclays Municipal	-0.26%	0.32%	-2.55%	-2.55%	4.83%	4.02%	1.18	5.89%	4.51%	1.28	4.29%
REAL ASSETS											
DJ UBS Commodity TR	1.24%	-1.05%	-9.52%	-9.52%	-8.11%	14.83%	-0.55	1.51%	16.20%	0.09	0.87%
Wilshire US REIT TR	0.61%	-0.83%	1.86%	1.86%	9.37%	16.83%	0.55	16.69%	26.84%	0.62	8.38%
HFRX INDICES											
HFRX Global Hedge Fund	0.56%	2.33%	6.72%	6.72%	0.22%	4.17%	0.04	3.73%	4.34%	0.84	1.02%
HFRX Equity Hedge	1.25%	4.19%	11.14%	11.14%	-1.95%	6.76%	-0.30	3.04%	7.08%	0.42	0.39%
HFRX Absolute Return	0.29%	1.71%	3.57%	3.57%	0.20%	1.90%	0.07	-0.63%	2.11%	-0.35	-0.04%
HFRX Equity Market Neutral	0.17%	2.21%	1.72%	1.72%	-1.99%	3.51%	-0.59	-1.81%	4.04%	-0.47	-0.21%
HFRX Event Driven	0.28%	2.70%	13.87%	13.87%	4.69%	5.28%	0.88	6.41%	4.94%	1.28	3.06%
HFRX Systematic Diversified	0.55%	2.84%	-1.30%	-1.30%	-3.54%	7.21%	-0.50	-2.85%	7.88%	-0.37	--
HFRX Relative Value Arbitrage	0.60%	1.21%	2.96%	2.96%	0.80%	3.68%	0.20	8.83%	5.93%	1.47	1.19%
HFRX Fixed Income-Corporate	0.60%	2.88%	6.61%	6.61%	5.78%	3.05%	1.87	10.21%	4.34%	2.33	--
HFRX Fixed Income-Credit	0.45%	1.12%	6.87%	6.87%	3.51%	3.88%	0.89	11.15%	5.55%	1.99	--
HFRI INDICES											
HFRI Fund of Funds Composite	1.19%	3.54%	8.79%	8.79%	2.43%	4.09%	0.58	4.84%	4.18%	1.13	3.36%
HFRI Equity Hedge Total	1.49%	4.83%	14.44%	14.44%	4.04%	7.98%	0.50	9.15%	8.45%	1.07	5.26%
HFRI EH Equity Market Neutral	0.43%	2.72%	6.65%	6.65%	2.44%	3.04%	0.78	2.32%	2.67%	0.83	2.81%
HFRI Event Driven Total	1.16%	3.77%	12.48%	12.48%	5.80%	5.36%	1.07	10.62%	5.78%	1.82	6.99%
HFRI Macro Systematic Diversified	0.64%	3.10%	-0.74%	-0.74%	-2.27%	6.92%	-0.34	0.15%	7.26%	0.01	6.44%
HFRI Relative Value Total	0.70%	2.29%	6.98%	6.98%	5.82%	3.18%	1.81	10.68%	3.81%	2.78	6.43%
HFRI RV Fixed Income Corporate	0.71%	2.54%	5.67%	5.67%	5.75%	4.02%	1.41	11.56%	4.92%	2.33	5.30%
CTA INDICES											
Barclay CTA	0.52%	1.79%	-1.42%	-1.42%	-2.08%	4.66%	-0.46	0.08%	4.94%	-0.01	2.98%
Newedge CTA	0.57%	3.51%	0.73%	0.73%	-2.22%	6.76%	-0.34	-0.45%	6.88%	-0.08	2.83%
Newedge CTA Trend Sub-Index	0.65%	6.00%	2.67%	2.67%	-3.03%	10.12%	-0.31	-0.36%	10.64%	-0.04	3.74%
Newedge Short-Term Traders	1.93%	3.37%	3.55%	3.55%	-2.21%	4.04%	-0.56	-2.08%	3.85%	-0.57	--

Sources: Morningstar Direct, Bloomberg, hedgefundresearch.com, barclayhedge.com as of 1/15/2014

Past performance is no guarantee of future results. Index returns are provided for illustrative purposes only. Returns do not represent any actual investment. The unmanaged indices do not reflect fees and expenses and are not available for direct investment.

DEFINITIONS

Sharpe Ratio: Measures the risk-adjusted performance. Calculated by subtracting the risk-free rate (90 day U.S. T-bill yield as of the previous year-end) from the rate of return and dividing the result by the standard deviation of returns.

Standard Deviation: A measurement of the investment's volatility.

S&P 500 Index: An index of 500 stocks chosen for market size, liquidity, and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

S&P 500 Consumer Discretionary: Comprises those companies included in the S&P 500 that are classified as members of the GICS consumer discretionary sector.

S&P 500 Consumer Staples: Comprises those companies included in the S&P 500 that are classified as members of the GICS consumer staples sector.

S&P 500 Energy: Comprises those companies included in the S&P 500 that are classified as members of the GICS energy sector.

S&P 500 Financials: Comprises those companies included in the S&P 500 that are classified as members of the GICS financials sector.

S&P 500 Health Care: Comprises those companies included in the S&P 500 that are classified as members of the GICS health care sector.

S&P 500 Industrials: Comprises those companies included in the S&P 500 that are classified as members of the GICS industrials sector.

S&P 500 Information Technology: Comprises those companies included in the S&P 500 that are classified as members of the GICS information technology sector.

S&P 500 Materials: Comprises those companies included in the S&P 500 that are classified as members of the GICS materials sector.

S&P 500 Telecom Services: Comprises those companies included in the S&P 500 that are classified as members of the GICS telecom services sector.

S&P 500 Utilities: Comprises those companies included in the S&P 500 that are classified as members of the GICS utilities sector.

Dow Jones Industrial Average: A price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq.

Nasdaq Composite: A market-capitalization weighted index of the more than 3,000 common equities listed on the Nasdaq stock exchange. The types of securities in the index include American depositary receipts, common stocks, real estate investment trusts (REITs), and tracking stocks. The index includes all Nasdaq listed stocks that are not derivatives, preferred shares, funds, exchange-traded funds (ETFs), or debentures.

Russell 1000: An unmanaged index considered representative of large-cap stocks.

Russell 1000 Growth: An unmanaged index considered representative of large-cap growth stocks.

Russell 1000 Value: An unmanaged index considered representative of large-cap value stocks.

Russell Mid Cap: The Index measures the performance of the mid-cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership.

Russell 2500: The Russell 2500 is a market cap weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities.

Russell 2000: The Index measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market capitalization and current index membership.

Russell 2000 Growth: An unmanaged index considered representative of small-cap growth stocks.

Russell 2000 Value: An unmanaged index considered representative of small-cap value stocks.

Russell 2000 Health Care: Comprised of the smallest Health Care companies in the Russell 3000 Index.

Russell Micro Cap: An unmanaged index considered representative of microcap stocks.

Russell 3000: A market capitalization weighted equity index maintained by the Russell Investment Group that seeks to be a benchmark of the entire U.S. stock market. More specifically, this index encompasses the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S.

Russell 3000 Growth: A market capitalization weighted index based on the Russell 3000 index. The Russell 3000 Growth Index includes companies that display signs of above average growth. The index is used to provide a gauge of the performance of growth stocks in the U.S.

Russell 3000 Value: A market-capitalization weighted equity index maintained by the Russell Investment Group and based on the Russell 3000 Index, which measures how U.S. stocks in the equity value segment perform. Included in the Russell 3000 Value Index are stocks from the Russell 3000 Index with lower price-to-book ratios and lower expected growth rates.

MSCI All Country World ex US ND: The Morgan Stanley Capital International World Ex-US Index comprises the entire developed world excluding the United States. The designation of a country as developed arises primarily as a measurement of GDP per capita. 21 countries are included in this index.

MSCI EAFE ND: An unmanaged index considered representative of stocks of Europe, Australasia, and the Far East. The index is a float-adjusted market capitalization index.

MSCI Emerging Markets ND: The Morgan Stanley Capital International Emerging Markets Index is designed to measure equity market performance in global emerging markets. The Index is a float-adjusted market capitalization index.

FTSE 100 (London): A capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange.

CAC 40 (France): Tracks the 40 largest French stocks based on market capitalization on the Paris Bourse (stock exchange).

DAX (Germany): The German Stock Index is a total return index of 30 selected German blue chip stocks traded on the Frankfurt Stock Exchange. The equities use free float shares in the index calculation. It has a base value of 1,000 as of December 31, 1987. As of June 18, 1999, only XETRA equity prices are used to calculate all DAX indices.

Nikkei 225 (Japan): The Average is a price-weighted average of 225 top rated Japanese companies listed in the First Section of the Tokyo Stock Exchange. It was first published on May 16, 1949, when the average price was ¥176.21 with a divisor of 225.

Shanghai Composite (China): A market composite made up of all the A-shares and B-shares that trade on the Shanghai Stock Exchange. The index is calculated by using a base period of 100; the first day of reporting was July 15, 1991.

Hang Seng (Hong Kong): A market capitalization-weighted index of 40 of the largest companies that trade on the Hong Kong Exchange. The Hang Seng Index is maintained by a subsidiary of Hang Seng Bank, and has been published since 1969. The index aims to capture the leadership of the Hong Kong exchange, and covers approximately 65% of its total market capitalization.

BSE Sensex 30 (India): The Index is a cap-weighted index representing the composite value of shares of 30 selected companies traded on India's Bombay Stock Exchange. The selection of members has been made on the basis of liquidity, depth and floating-stock-adjustment depth, and industry representation.

BM&F Bovespa (Brazil): The Bovespa Index tracks around 50 stocks traded on the São Paulo Stock, Mercantile & Futures Exchange.

Barclays Capital US Aggregate Bond Index: An unmanaged index of investment-grade, U.S. dollar-denominated fixed-income securities of domestic issuers having a maturity greater than one year.

BofA ML US High Yield Master II: The Index is a commonly used benchmark for high yield corporate bonds. It measures the broad high yield market.

S&P/LSTA US Leveraged Loan 100: A partnership between Standard & Poor's and the Loan Syndications and Trading Association, the Index tracks returns in the leveraged loan market, capturing a broad cross-section of the U.S. leveraged loan market including dollar-denominated, U.S.-syndicated loans to overseas issuers.

Barclays Global Aggregate: The index is designed to be a broad based measure of the global investment-grade, fixed rate, fixed income corporate markets outside the United States.

Barclays Global High Yield: An unmanaged index considered representative of fixed rate, noninvestment-grade debt of companies in the U.S., developed markets, and emerging markets.

JPM Emerging Mkts Bond Plus: Tracks total returns for traded external debt instruments in the emerging markets. Comprises a set of broker-traded debt instruments widely followed and quoted by several market makers.

Barclays Long Term US Treasury: The index measures the performance of the US Treasury bond market, one of the largest and most liquid government bond markets in the world. Using market capitalization weighting and a standard rule based inclusion methodology; the index accurately reflects the performance and characteristics of the Treasury market and provides a basis for customized indices.

Barclays Capital US Municipal: An unmanaged index considered representative of the tax-exempt bond market.

DJ UBS Commodity TR: An unmanaged index designed to be highly liquid and diversified benchmark for the commodity futures market.

Wilshire US REIT TR: Measures U.S. publicly traded Real Estate Investment Trusts.

HFRX Global Hedge Fund: Index data, sourced from Hedge Funds Research, Inc., is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

HFRX Equity Hedge: Data is sourced from Hedge Funds Research, Inc. Equity Hedge strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalization and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50%, and may in some cases be substantially entirely invested in equities, both long and short.

HFRX Absolute Return: The Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. As a component of the optimization process, the Index selects constituents which characteristically exhibit lower volatilities and lower correlations to standard directional benchmarks of equity market and hedge fund industry performance.

HFRX Equity Market Neutral: Employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. These can include both Factor-based and Statistical Arbitrage/Trading strategies.

HFRX Event Driven: maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments.

HFRX Systematic Diversified: Strategies have investment processes typically as function of mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. Strategies which employ an investment process designed to identify opportunities in markets exhibiting trending or momentum characteristics across individual instruments or asset classes. Strategies typically employ quantitative process which focus on statistically robust or technical patterns in the return series of the asset, and typically focus on highly liquid instruments and maintain shorter holding periods than either

discretionary or mean reverting strategies. Although some strategies seek to employ counter trend models, strategies benefit most from an environment characterized by persistent, discernible trending behavior. Systematic Diversified strategies typically would expect to have no greater than 35% of portfolio in either dedicated currency or commodity exposures over a given market cycle.

HFRX Relative Value Arbitrage: Relative Value investment managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

HFRX Fixed Income-Corporate: Fixed Income - Corporate includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a corporate fixed income instrument. Strategies employ an investment process designed to isolate attractive opportunities between a variety of fixed income instruments, typically realizing an attractive spread between multiple corporate bonds or between a corporate and risk free government bond.

HFRX Fixed Income-Credit: Strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a corporate fixed income instrument. Strategies employ an investment process designed to isolate attractive opportunities between a variety of fixed income instruments, typically realizing an attractive spread between multiple corporate bonds or between a corporate and risk free government bond.

HFRI Fund of Funds Composite: An equal weighted index of over 650 constituent hedge fund of funds that invest over a broad range of strategies.

HFRI Equity Hedge Total: HFRI Equity Hedge Equity Hedge strategies maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. Equity Hedge managers would typically maintain at least 50%, and may in some cases is substantially entirely invested in equities, both long and short.

HFRI EH Equity Market Neutral: Strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. These can include both factor-based and statistical arbitrage/trading strategies. Factor-based investment strategies include strategies in which the investment thesis is predicated on the systematic analysis of common relationships between securities. In many but not all cases, portfolios are constructed to be neutral to one or multiple variables, such as broader equity markets in dollar or beta

terms, and leverage is frequently employed to enhance the return profile of the positions identified. Statistical arbitrage/trading strategies consist of strategies in which the investment thesis is predicated on exploiting pricing anomalies which may occur as a function of expected mean reversion inherent in security prices; high frequency techniques may be employed and trading strategies may also be employed on the basis on technical analysis or opportunistically to exploit new information the investment manager believes has not been fully, completely or accurately discounted into current security prices. Equity market neutral strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

HFRI Event Driven Total: Managers included in the Index maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance, or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

HFRI Macro Systematic Diversified: Systematic: Diversified strategies have investment processes typically as function of mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. Strategies which employ an investment process designed to identify opportunities in markets exhibiting trending or momentum characteristics across individual instruments or asset classes. Strategies typically employ quantitative process which focus on statistically robust or technical patterns in the return series of the asset, and typically focus on highly liquid instruments and maintain shorter holding periods than either discretionary or mean reverting strategies. Although some strategies seek to employ counter trend models, strategies benefit most from an environment characterized by persistent, discernible trending behavior.

HFRI Relative Value Total: Investment Managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

HFRI RV Fixed Income Corporate: The Index includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a corporate fixed income instrument. Strategies employ an investment process designed to isolate attractive opportunities between a variety of fixed income instruments, typically realizing an attractive spread between multiple corporate bonds or between a corporate and risk free government bond. Fixed Income - Corporate strategies differ from Event Driven: Credit Arbitrage in that the former more typically involve more general market hedges which may vary in the degree to which they limit fixed income market exposure, while the latter typically involve arbitrage positions with little or no net credit market exposure, but are predicated on specific, anticipated idiosyncratic developments.

Barclay CTA: A leading industry benchmark of representative performance of commodity trading advisors. There are currently 602 programs included in the calculation for the year 2012, which are unweighted and rebalanced at the beginning of each year.

Newedge CTA: calculates the daily rate of return for a pool of CTAs selected from the larger managers that are open to new investment. Selection of the pool of qualified CTAs used in construction of the Index will be conducted annually, with re-balancing on January 1st of each year.

Newedge CTA Trend Sub-Index: a subset of the Newedge CTA Index, and follows traders of trend following methodologies. The Newedge CTA Index is equal weighted, calculates the daily rate of return for a pool of CTAs selected from the larger managers that are open to new investment.

Newedge Short-Term Traders: Designed to track the performance of short-term, diversified CTA and Global Macro managers.



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