GUIDE TO MANAGER AND OAM RESEARCH STRATEGY PROFILES

Clients reviewing Manager and OAM Research Strategy Profiles should also read this *Guide to Manager and OAM Research Strategy Profiles ("Guide")*. The Guide provides important information about investment programs, and explains specific terms and data contained on the Manager and OAM Research Strategy Profiles. Please note that UMA managers may not be available to all non-U.S. clients. For further information, please contact your financial advisor.

Oppenheimer Asset Management Consulting may place UMA managers/strategies on "Watch" because of due diligence concerns with the managers/strategies. Clients are directed to discuss the reason for a "Watch" status with their Financial Advisor.

Adopting a fee-based account program may not be suitable for all investors; anticipated individual commission costs should be compared with anticipated annual fees.

Risk Factors
The success of an investment program may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of a portfolio's investments. Unexpected volatility or illiquidity could result in losses.

Investing in securities is speculative and entails risk. There can be no assurance that the investment objectives will be achieved or that an investment strategy will be successful. **Past performance is not a guarantee of future results.** If the Investment Manager uses leverage, short sales and derivative transactions, investment in foreign or illiquid securities, and potentially limited diversification, significant losses could result.

Special Risks of Absolute Return Investments
The use of leverage, short sales and derivative transactions, investment in foreign or illiquid securities, and potentially limited diversification could result in significant losses. The risk of shorting securities is theoretically unlimited.

Special Risks of Exchange Traded Funds
Exchange Traded Funds (ETFs) are subject to market risk, including the loss of principal. The value of any ETF and thus the portfolio that holds an ETF will fluctuate with the value of the underlying securities in the ETF reference basket. ETFs trade with the same brokerage commissions associated with buying and selling equities unless trading occurs in a fee-based account. ETFs often trade for less than their net asset value. Not all ETFs are diversified and certain ETFs contain significant concentration risks. Diversification does not ensure a profit and does not protect against loss in declining markets.

Special Risks of Alternative Mutual Funds
Alternative Mutual Funds ("Liquid Alts") are SEC registered funds but they use investment strategies that are different from those used by traditional mutual funds. As their name implies, Liquid Alts seek to accomplish the fund's objectives through non-traditional investments and trading strategies. Alt Funds might invest in assets such as global real estate, commodities, leveraged loans, start-up companies and unlisted securities that offer exposure beyond traditional stocks, bonds and cash. In addition to the usual market and investment specific risks mutual funds have, Alt Funds carry additional risks from the strategies they use. Other risks include but are not limited to the following: liquidity risk, leverage risk, derivative risk, valuation risk, counterparty risk, regulatory risk, specialized trading risk, manager risk, investment process risk and strategy risk.

As Liquid Alts tend to be complex investments with potentially complicated tax implications, they are not appropriate for all investors and only may be offered to certain investors. Many liquid alts are newer products and may have a limited performance history. In addition, these funds may have higher operating expenses when compared with traditional mutual funds and as a result, over time, these fees could detract from long-term returns.

Investors should consider an ETF or mutual fund's investment objectives, risks, and charges, and expenses carefully before investing. The prospectus contains this and other information. For more complete information including a prospectus describing fees, expenses, and risk factors contact your Oppenheimer & Co. Financial Advisor or call 800-

221-5588. Please read the prospectus carefully before investing.

Special Risks of Fixed Income Securities
For fixed income securities, there is a risk that the price of these securities will go down as interest rates rise. Another risk of fixed income securities is credit risk, which is the risk that an issuer of a bond will not be able to make principal and interest payments on time. Other risks of fixed income securities include market, inflation, call, prepayment and liquidity risks.

.Liquidity risk is the risk of not being able to buy or sell investments quickly for a price that is close to the true underlying value of the asset.

Funds that invest in lower-rated debt securities (commonly referred to as high yield or junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Special Risks of Foreign Securities
Investments in foreign securities are affected by risk factors generally not thought to be present in the US. The factors include, but are not limited to, the following: less public information about issuers of foreign securities and less governmental regulation and supervision over the issuance and trading of securities.

Environment, Social, and Governance (ESG)

Environmental, social, and governance (ESG) criteria are a set of standards investors may use to analyze potential investments for socially conscious factors. Environmental criteria consider the utilization of natural resources and the effect of operations on the physical environment, both in direct operations and across supply chains. Social criteria includes social capital issues such as data security, diversity and inclusion, human rights, customer welfare, and human capital issues such as labor practices, employee health and safety. Governance is centered on business ethics including corporate governance, executive compensation and shareholder rights as well as supply chain management and other risk management and compliance areas (e.g., bribery, fraud, and financial crime).

Funds that invest in one sector or strategy such as ESG involve additional risks. The lack of diversification, or the pursuit of a strategy such as ESG may lead to less opportunities or choice.

Special Risks of Master Limited Partnerships
Master limited partnerships (MLPs) are publicly listed securities that trade much like a stock, but they are taxed as partnerships. MLPS are typically concentrated investments in assets such as oil, timber, gold and real estate. The risks of MLPS include concentration risk, illiquidity, exposure to potential volatility, tax reporting complexity, fiscal policy and market risk. MLPS are not suitable for all investors.

Special Risks of Small and Mid Capitalization Companies
Investments in companies with smaller market capitalization are generally riskier than investments in larger, well-established companies. Smaller companies often are more recently formed than larger companies and may have limited product lines, distribution channels and financial and managerial resources. These companies may not be well known to the investing public, may not have significant institutional ownership and may have cyclical, static or moderate growth prospects. There is often less publicly available information about these companies than there is for larger, more established issuers, making it more difficult for the Investment Manager to analyze that value of the company. The equity securities of small and mid capitalization companies are often traded over-the-counter or on regional exchanges and may not be traded in the volume typical for securities that are traded on a national securities exchange. Consequently, the Investment Manager may be required to sell these securities over a longer period of time (and potentially at less favorable prices) than would be the case for securities of larger companies. In addition, the prices of the securities of small and mid capitalization companies may be more volatile that those of larger companies.

Special Risks of Real Estate Securities
Real estate investing may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investing may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust, interest/mortgage rates and defaults by borrower.

Closed-End Funds
A closed-end fund is a type of investment company that, like a mutual fund, uses a professional manager to invest the fund's assets in a diversified selection of securities. The term is “closed end”, indicates that a limited number of shares are issued during an Initial Public Offering (IPO). Fund shares are then bought and sold on an exchange.

Exchange Traded Funds
Exchange Traded Funds (ETFs) are baskets of securities that are traded like a stock on an exchange. Equity-based ETFs are subject to risks similar to those of stocks; fixed income-based ETFs are subject to risks similar to those of fixed income securities such as bonds. Investment returns will fluctuate and are subject to market volatility, so that an investor’s shares, when redeemed or sold may be worth more or less than their original cost. Foreign investments have unique and greater risks than domestic investments.

All ETFs are passively managed and generally have lower management fees and operating expenses than actively managed funds. ETF returns are adjusted to reflect all actual ongoing ETF fund expenses and assume reinvestment of dividends and capital gains.

Mutual Funds
An open-end mutual fund is a collection of investor money pooled together to achieve a common investment objective. An open-end mutual fund is open to new investors. Investors who want to purchase shares of an open-end mutual fund would purchase it directly from the fund manager. An investor seeking to sell his/her shares sells the shares back to the mutual fund upon demand, which is also called a redemption. The money pooled by investors is managed by a mutual fund manager who invests according to the mutual fund style or objectives. There are many different types of mutual funds for many different types of securities, going from conservative in style to aggressive or speculative.

Glossary of Terms

Alpha: A measure of nonsystematic return, or the return that cannot be attributed to the market. Alpha is useful in analyzing a manager’s specific contribution or “value-added” to a portfolio’s performance. It is how the portfolio would have performed had the market had no gain or loss.

American Depository Receipt (ADR): A receipt for the shares of a foreign-based corporation typically held as a US bank, entitling the shareholder to all dividends and capital gains. Instead of buying shares of foreign-based companies in overseas markets, these shares are brought in the US markets in the form of an ADR. ADRs are available for hundreds of stocks from numerous countries.

Annualized Return: Returns for periods longer than one year are expressed as "annualized returns", equivalent to the compounded rate of return. This is the annual increase in value of an investment, including compounding of interest and dividends as well as price appreciation that is expressed as a percentage of the starting price.

Average Credit Quality: For bond portfolios, the credit quality review depicts the average quality of bonds in the portfolio.

Average Duration: A key fixed income measure that is a time measure of a bond's interest rate sensitivity. It is based on the weighted average of the time periods over which a bond's cash flows accrue to the bondholder. A bond's duration will almost always be shorter than its maturity, with the exception of zero-coupon bonds, for which maturity and duration are equal.

Average Market Capitalization: For a portfolio of stocks, this statistic is equal to the average of the cumulative summary of market capitalizations.

Average Maturity: A straight average of the time to maturity of each bond in the portfolio.

Beta: A measure of systematic risk (relative to a specific benchmark), or the portion of the investment's return that is attributable to market movements. An investment with a beta of 1.0 has an expected risk level equal to that of the market. Investments are considered more risky than the market if their beta is greater than 1.0 or less risk than the market if their beta is less than 1.0.

Bottom-Up: A description of an investment process that emphasizes individual security selection over consideration of economic trends or the market in general.

Current Dividend Yield: On a portfolio level, this ratio is the weighted average of the dividend yield figures for each individual stock in the portfolio. On an individual basis, the dividend yield is calculated by taking the stock's annual dividend and dividing it by the stock's current price.

Down Market Capture Ratio: Measure of a product's performance in down markets relative to the market (appropriate benchmark). The lower the ratio the better the product protected capital during a market decline. Specifically, the down market capture ratio links returns for the product and the market for all down quarters over the selected time period. The product's return during down market quarters is then divided by the market return for the same period. Note: The statistic may be less significant if the number of down quarters over the total period is low or if the benchmark is not relevant to the manager's style.

Discount: Amount (stated in dollars or a percent) by which the selling or purchase price of a security is less than its face amount. Also the amount by which the market price of a closed-end fund is less than the fund's Net Asset Value.

Effective Duration: A duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

Fixed Income Portfolio Structure: On a portfolio level, bonds can be structured using various strategies. For example, a **Barbell Structure** emphasizes short- and long-term maturities while typically avoiding the intermediate range. A **Ladder Structure** is constructed to have approximately equal amounts invested in each maturity within a given range. A **Bullet Structure** is constructed so that the maturities of its securities are highly concentrated on the yield curve.

Growth: A style of equity management based on an attempt to invest in companies that one believes to have above average growth prospects. Growth managers are generally willing to pay higher market multiples for what they believe to be superior growth rates and the profitability they anticipate. As a result, stocks in growth portfolios will tend to have higher price/earnings ratios and lower dividends.

Historical Capital Gains: Capital Gains are the difference between an asset's adjusted purchase price and selling price (when the difference is positive). A **Long Term** capital gain is achieved once an asset has been held for at least 12 months. Selling assets for a profit after holding them for less than 12 months generates **Short Term** capital gains. (As with all transactions having potential tax implications, clients should consult with their own tax advisers on this topic; nothing herein should be construed as offering tax advice.)

Information Ratio: A ratio of portfolio excess return (measured against benchmark) to the volatility of excess returns. The information ratio (IR) measures a portfolio manager's ability to generate consistent excess returns relative to a benchmark.

Interest Rate Anticipator: A style of fixed income investing where investment decisions are based on a forecast for the direction of interest rate movements.

Market Capitalization: The value of a corporation as determined by the market price of its issued and outstanding shares of common stock. Managers often use market capitalization as one of their investment criteria.

Net Asset Value (NAV): The net market value of all securities held in a portfolio.

Premium: The amount by which a bond's market price exceeds its par value. Also, the amount by which a closed-end fund's market price exceeds its Net Asset Value.

Price/Earnings Ratio (P/E): On a portfolio level, this ratio is the weighted average of the P/E multiples for each individual stock in the portfolio. The individual stock P/E ratio is found by taking the current price of each stock divided by its earnings per share.

Price/Funds From Operations (P/FFO): A measure of operating performance used by Real Estate Investment Trusts (REITs). Funds from Operations (FFO) is calculated by adding depreciation and amortization expenses to earnings. This is useful in analyzing a REIT's cash performance, which is usually a better measure of a REIT's performance than earnings, which include non-cash items. P/FFO is a ratio widely used that quotes FFO on a per share basis.

R-Squared: Measures how much of a change in a particular product can be accounted for by the benchmark it is measured against. If that product's return is explained perfectly by the benchmark, the R-Squared would equal 1.00, while a R-Squared of 0.00 would indicate that no relationship exists between the product's returns and the benchmark. Higher R-Squared values also indicate more statistically accurate alpha and beta figures.

Return on Equity (ROE): On a portfolio level, this ratio is the weighted average of the ROE figures for each individual stock in the portfolio. The ROE, expressed as a percentage, is the amount earned on the company's common stock investment for a given time period. The ROE numbers presented represents the 3-year historic rate of growth. The figure is calculated by dividing common stock equity at the beginning of the period into the net income for the period after preferred stock dividends but before common stock dividends.

Sector: A particular group of securities with similar characteristics. For example, the stock market can be broken down into several sectors.

Sector Rotator: A style of equity and fixed income management where securities in a portfolio are overweighted in the sectors that an investment team considers to be more promising and underweighted in sectors they feel are less promising.

Sharpe Ratio: Relates to the difference between the investment's return and the T-bill rate divided by the standard deviation of the investment's return for a given time period (i.e. the investment's return minus the T-bill rate divided by the investment's standard deviation.) The Sharpe ratio is stated in absolute terms. This ratio represents the unit of return (minus the risk-free rate) for each unit of total risk (standard deviation).

Standard Deviation: A gauge of risk that measures the spread of the difference of returns from their average. The more a series of returns vary from the average, the higher the standard deviation. To calculate the standard deviation, the difference between each month's return and the Monthly Average Return, defined below, is squared, and then all of them are added together. The square root of that number is calculated and then annualized by multiplying that result by the square root of 12.

Top-Down: A description of an investment process that analyzes and forecasts trends in the economy as a whole. Based on this information, managers select industries and companies which they feel should benefit from the trends.

Tracking Error: When using an indexing or any other benchmarking strategy, the amount by which the performance of the portfolio differed from that of the benchmark.

Up Market Capture Ratio: Measure of a product's performance in up markets relative to the market (appropriate benchmark). The higher the ratio the better the product performed relative to the market. Specifically, the up market capture ratio links returns for the product and the market for all up market quarters over the selected time period. The product's return during up market quarters is then divided by the market return for the same period. Note: The statistic may be less significant if the number of up quarters over the total period is low or if the benchmark is not relevant to the manager's style.

Value: A style of equity management based on an attempt to invest in companies at attractive valuations. Often referred to as "price driven" investors, these managers look for undervalued stocks, focusing on issues with low price/earnings ratios and/or above-average cash flow to shareholders (dividends or share buy backs) as indicators of value.

Weighted Median Market Capitalization: For a portfolio of stocks, this statistic is equal to the number at which cumulative summary of market capitalizations above the number is equal to the cumulative summary of the market capitalizations below the number.

Yield to Maturity - is the rate of return earned by an investor who buys the bond at the current market price which assumes that the bond will be held until maturity, and that all coupon and principal payments will be made on schedule.

Glossary of Index Comparisons

Indices are unmanaged, hypothetical portfolios of securities that are often used as a benchmark in evaluating the relative performance of a particular investment. An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or management fees.

60/40 Index (OP 60/40): A balanced market benchmark comprised of 60% of the S&P 500 and 40% of the Bloomberg Intermediate Government/Credit Bond Index.

Bank of America ML 3 Month T-Bill: Consists of U.S. Treasury Bills maturing in 90 days.

BarclayHedge BTOP50 Index: The BTOP50 Index seeks to replicate the overall composition of the managed futures industry with regard to trading style and overall market exposure. The BTOP50 employs a top-down approach in selecting its constituents. The largest investable trading advisor programs, as measured by assets under management, are selected for inclusion in the BTOP50. In each calendar year the selected trading advisors represent, in aggregate, no less than 50% of the investable assets of the Barclay CTA Universe. To be included in the BTOP50, the program must be open for investment, the manager must be willing to provide daily returns, the program must have at least two years of trading activity and the program's advisor must have at least three years of operating history. The BTOP50's portfolio will be equally weighted among the selected programs at the beginning of each calendar year and will be rebalanced annually.

Bloomberg 10-Year Municipal Bond Index: An unmanaged index with maturities between nine and twelve years. The Bloomberg 10-Year Municipal Bond Index is the 10-Year total return subset of the Bloomberg Municipal Bond Index.

Bloomberg Global Aggregate Bond Index: provides a broad-based measure of the global investment-grade fixed rate debt markets. It contains three major components that comprise over 94% of the value: the U.S. Aggregate Index, the Pan- European Aggregate Index and the Asian-Pacific Aggregate Index. In addition to securities from these three benchmarks, the index also includes Global Treasury, Eurodollar, Euro-Yen, Canadian and Investment-Grade 144A index-eligible securities not already in the three regional aggregate indices.

Bloomberg U.S. Credit Bond Index: Composed of all publicly issued, fixed-rate, nonconvertible, investment-grade corporate debt. Issues are rated at least Baa by Moody's Investors Service or BBB by Standard & Poor's, if unrated by Moody's. Collateralized Mortgage Obligations (CMOs) are not included. Total return comprises price appreciation/depreciation and income as a percentage of the original investment.

Bloomberg U.S. Government/Credit Bond Index (Bloomberg GC): The U.S. Government/Credit Bond Index is the non-securitized component of the U.S. Aggregate Index. Specifically, the Government/Credit Index includes treasuries (i.e., public obligations of the US Treasury that have remaining maturities of more than 1 year), Government-Related issues (i.e. agency, sovereign, supranational, and local authority debt) and Corporates (publicly issued US corporate and Yankee debentures and secured notes that meet specified maturity, liquidity, and quality requirements). All issues in the Government/Credit Index are rated Baaa3/BBB-/BBB- or higher (using the middle rating of Moody’s, S&P, and Fitch, respectively) and have at least one year to maturity and have an outstanding par value of at least $250 million.

Bloomberg U.S. Government/Credit Intermediate Bond Index (Bloomberg INT): A subgroup of the Bloomberg Government/Credit Bond Index that is based on maturity with greater than 1 to 10 years.

Bloomberg U.S. Aggregate Bond Index (Bloomberg AGG): The U.S. Aggregate Index covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The Index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass throughs), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety. The index was created in 1986 with index history backfilled to January 1, 1976. All issues in the Aggregate Index are rated Baaa3/BBB-/BBB- or higher (using the middle rating of Moody’s, S&P, and Fitch, respectively) and have at least one year to maturity and have an outstanding par value of at least $250 million.

Bloomberg U.S. Government Index (Bloomberg GI): A measurement of all publicly issued debt securities by the US government or its agencies, as well as quasi-federal corporations or corporate debt guaranteed by the US government. It also includes all public obligations of the US Treasury, excluding flower bonds and foreign-targeted issues.

Bloomberg U.S. Municipal Bond (Bloomberg Muni): The U.S. Municipal Indices cover the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds. It is generally representative of the broad market for tax-exempt bonds. The Index is comprised of investment-grade, tax-exempt, and fixed-rate bonds. All issues in the Bloomberg

Muni Index are rated Baa or higher, have at least one year to maturity and an outstanding par value of at least $7 million.

Bloomberg U.S 5-Year Municipal Bond Index (Bloomberg Muni 5yr): The Index, representing a subset of the Bloomberg Muni, is comprised of investment-grade, tax-exempt and fixed-rate bonds with a minimum credit rating of Baa and a maturity range typically between 4 to 6 years. All issues in the Bloomberg Muni 5yr Index have at least one year to maturity and an outstanding par value of at least $5 million. The Bloomberg Muni 5 yr may have a shorter maturity and duration than the Bloomberg Muni Index.

Bloomberg U.S. 7-Year Municipal Bond Index (Bloomberg Muni 7yr): The Index, representing a subset of the Bloomberg Muni, is comprised of investment-grade, tax-exempt and fixed-rate bonds with a minimum credit rating of Baa and a maturity range typically between 6 to 8 years. All issues in the Bloomberg Muni 7yr Index have at least one year to maturity and an outstanding par value of at least $5 million. The Bloomberg Muni 7yr may have a shorter maturity and duration than the Bloomberg Muni Index.

Citigroup 3-Month Treasury Bill: An unmanaged index of three-month Treasury bills. Unless otherwise noted, index returns reflect the reinvestment of dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in this index.

Citigroup (formerly Salomon Brothers) Non-U.S. Government Bond Index: A market-capitalization weighted benchmark that tracks the performance of fixed-rate sovereign debt with at least one year to maturity.

Dow Jones Industrial Average Index (DJIA): The oldest continuing US market Index, includes 30 “blue-chip” US stocks selected for their history of successful growth and wide interest among investors. It is called an average because it originally was computed by adding up stock prices and dividing by the number of stocks. This methodology remains the same today, but the devisor has been changed to preserve historical continuity.

Global 60/40 Index (GLOBAL 60/40): A balanced market benchmark comprised of 60% of the MSCI World Index and 40% of the Bloomberg Intermediate Government/Credit Bond Index.

Growth Balanced 60/40 Index (GRBAL 60/40): A balanced market benchmark comprised of 60% of the S&P/ Barra Growth Index and 40% of the Bloomberg Intermediate Government/Credit Bond Index.

HFRI Fund of Funds Index (Total): Fund of Funds invest with multiple managers through funds or managed accounts. The strategy designs a diversified portfolio of managers with the objective of significantly lowering the risk (volatility) of investing with an individual manager. The Fund of Funds manager has discretion in choosing which strategies to invest in for the portfolio. A manager may allocate funds to numerous managers within a single strategy, or with numerous managers in multiple strategies. The minimum investment in a Fund of Funds may be lower than an investment in an individual hedge fund or managed account. The investor has the advantage of diversification among managers and styles with significantly less capital than investing with separate managers.

Hedged Equity Alternative Investments - HFRI Equity Hedge Index: Equity Hedge (EH) managers 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. EH managers would typically maintain at least 50%, and may in some cases be substantially entirely invested in equities, both long and short.

HFRI Event Driven Alternative Investments - HFRI Event Driven Index: Event Driven (ED) Managers 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 Alternative Investments - HFRI Macro Index: Macro strategy managers which trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom up theses, quantitative and fundamental approaches and long and short term holding periods. Although some strategies employ RV techniques, Macro strategies are distinct from RV strategies in that the primary investment thesis is predicated on predicted or future movements in the underlying instruments, rather than realization of a valuation discrepancy between securities. In a similar way, while both Macro and equity hedge managers may hold equity securities, the overriding investment thesis is predicated on the impact movements in underlying macroeconomic variables may have on security prices, as opposed to EH, in which the fundamental characteristics on the company are the most significant and integral to investment thesis.

HFRI Relative Value Alternative Investments - HFRI Relative Value Index: Relative Value (RV) 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.

J.P. Morgan Emerging Markets Bond Index Global: Tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, eurobonds. The performance of the index does not reflect the deduction of expenses associated with a fund, such as investment management fees. By contrast, the performance of the fund reflects the deduction of the fund expenses, including sales charges if applicable. Indexes are unmanaged and cannot be invested in directly.

JP Morgan Global Bond Index (JPM GBI): A capitalization-weighted Index comprised of fixed-rate coupon issues of 18 markets in their local currency. The selection of the issues and their weightings reflects the current opportunities available to global investors.

JP Morgan International Bond Index (JPM IBI): An Index comprised of the non-US portion of the JPM GBI. This capitalization-weighted Index includes only the traded issues available to international investors.

ML 1-3 Government Bond Index (ML 1-3 Govt): Includes all US Treasury Notes and Bonds with maturities greater than or equal to 1 year and less than 3 years, excluding US Treasury STRIPs.

ML High-Yield Master Index (ML High Yld): A capitalization-weighted Index that provides a broad measure of the performance of the non-investment grade US domestic bond market. The Index is limited to US domestic and Yankee markets. Bonds must have greater than 1 year remaining to final maturity, at least $100 million face outstanding, be US dollar pay, have a fixed coupon schedule with a credit rating below investment grade not in default.

ML Municipal Index: Comprised of municipal securities selected and priced by Merrill Lynch traders. At the heart of the index is a matrix created by the Merrill Lynch Municipal Bond Research Group. The individual municipal issues which make up the master index are selected based on the fit of the securities characteristics into a specific matrix block. The index weights are derived from the matrix, as each matrix block has a specific weight assigned to it. Individual securities within the blocks have equal weighting. For inclusion in the index, bond issues must be publicly placed, have a maturity of at least 1 year, and fit into one of the previously established matrix blocks.

Morningstar Multialternative Category Average (US OE Multialternative): These funds offer investors exposure to several different alternative investment tactics. Funds in this category have a majority of their assets exposed to alternative strategies. An investor's exposure to different tactics may change slightly over time in response to market movements. Funds in this category include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. The gross short exposure is greater than 20%.

Morgan Stanley Capital International, Europe, Australasia, Far East Index (MSCI EAFE): An Index in US dollars based on the share price of companies listed on stock exchanges in 21 developed countries outside of North America. This

Index is created by aggregating the 21 different country Indices, all of which are created separately. It is considered to be generally representative of overseas stock markets.

MSCI ACWI: Captures large- and mid-cap representation across 23 developed markets countries and 21 emerging markets countries. With 2,436 constituents, the index covers approximately 85% of the global investable equity opportunity set.

MSCI EAFE Value Index (EAFE Value): An Index in US dollars representing approximately half of the total market capitalization of the MSCI EAFE Index. The companies in this Index tend to have lower price-to-book ratios than the MSCI EAFE Growth Index. The MSCI EAFE Value is calculated using the constituents of the Value Indices of the 21 developed countries outside of North America composing the MSCI EAFE Index.

MSCI EAFE Growth Index (EAFE Growth): An Index in US dollars representing approximately half of the total market capitalization of the MSCI EAFE Index. The companies in this Index tend to have higher price-to-book ratios than the MSCI EAFE Value Index. The MSCI EAFE Growth Index is calculated using the constituents of the Growth Indices of the 21 developed countries outside of North America composing the MSCI EAFE Index.

Morgan Stanley Capital International, World Index (MSCI World): An Index in US dollars based on the share price of companies listed on stock exchanges in 23 developed countries including the US and Canada. This Index is created by aggregating the 23 different country Indices, all of which are created separately. It is considered to be generally representative of domestic and overseas stock markets.

MSCI World Value Index (World Value): An Index in US dollars representing approximately half of the total market capitalization of the MSCI World Index. The companies in this Index tend to have lower price-to-book ratios than the MSCI World Growth Index. The MSCI World Value is calculated using the constituents of the Value Indices of the 23 developed countries including the US and Canada that compose the MSCI World Index.

MSCI World Growth Index (World Growth): An Index in US dollars representing approximately half of the total market capitalization of the MSCI World Index. The companies in this Index tend to have higher price-to-book ratios than the MSCI World Value Index. The MSCI World Growth is calculated using the constituents of the Growth Indices of the 23 developed countries including the US and Canada that compose the MSCI World Index.

Morgan Stanley Capital International, World ex-US Index (World ex-US): An Index in US dollars based on the share price of companies listed on stock exchanges in 22 developed countries excluding the US. This Index is created by aggregating the 22 different country Indices, all of which are created separately. It is considered to be generally representative of overseas stock markets.

MSCI Emerging Markets Free Index (MSCI EMF): A market capitalization weighted Index in US dollars representing 26 emerging markets in the world. This Index is created by aggregating the 26 different country Indices, all of which are created separately. It is considered to be generally representative of emerging markets.

MSCI AC Pacific Free ex-Japan Index (Pac Basin All): Measures the performance of stock markets in Australia, China, Hong Kong, Indonesia, Thailand, Taiwan, Indonesia, Malaysia, Philippines, New Zealand and Singapore. Portions of markets that are not free and open to foreign investment are excluded. The Index is market capitalization weighted with each country weighted by its total market capitalization in US dollars.

National Association of Real Estate Investment Trusts (NAREIT) Equity Index: An Index consisting of all tax qualified real estate investment trusts whose common shares are listed on the NYSE, AMEX and the NASDAQ. The Index is capitalization-weighted and all REITs must have at least 75% of their gross invested book assets invested directly or indirectly in the equity ownership of real estate.

Russell 1000 Index (Russell 1000): Measures the performance of the 1,000 largest companies in the Russell 3000 Index. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period. The Russell 1000 Index represents the vast majority of the total market capitalization of the Russell 3000 Index. It is considered to be generally representative of US Equity Large Cap performance.

Russell 1000 Growth Index (R1000 Growth): Measures the performance of the Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index (R1000 Value): Measures the performance of the Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Index (Russell 2000): Measures the performance of the 2,000 smallest companies in the Russell 3000 Index. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period. The Russell 2000 Index represents a very small percentage of the total market capitalization of the Russell 3000 Index. It is considered to be generally representative of US Equity Small and Mid Cap performance.

Russell 2000 Growth Index (R2000 Growth): Measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Value Index (R2000 Value): Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2500 Index (Russell 2500): Measures the performance of the 2,500 smallest companies in the Russell 3000 Index. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period. The Russell 2500 Index represents a small percentage of the total market capitalization of the Russell 3000 Index. It is considered to be generally representative of US Equity Small and Mid Cap performance.

Russell 2500 Growth Index (2500 Growth): Measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values than those in the Russell 2500 Value Index.

Russell 2500 Value Index (2500 Value): Measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values than those in the Russell 2500 Growth Index.

Russell 3000 Index (Russell 3000): Measures the performance of the 3,000 largest US companies based on total market capitalization, which represents nearly the entire market capitalization of the investable US equity market. Frank Russell Co. ranks the US common stocks from largest to smallest market capitalization at each annual reconstitution period.

Russell Midcap Index (Russell Midcap): Measures the performance of the mid-cap segment of the US equity universe. The Russell Midcap Index includes the smallest 800 securities in the Russell 1000.

Russell Midcap Growth Index (Russell Midcap Growth): Contains those Russell Midcap (800) securities with a greater-than-average growth orientation. Companies in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.

Russell Midcap Value Index (Russell Midcap Value): Contains those Russell Midcap (800) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.

S&P 500 Index (S&P 500): The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted Index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value. The Index is one of the most widely used benchmarks of US Equity Large Cap performance.

S&P 500/Citigroup Growth Index (S&P Growth): Companies in the S&P 500 Index are split into two groups based on price-to-book ratios to create growth and value Indices. The Growth Index contains those with higher price-to-book ratios and represents approximately 50% of the total market capitalization of the Index.

S&P 500/Citigroup Value Index (S&P Value): Companies in the S&P 500 Index are split into two groups based on price-to-book ratios to create growth and value Indices. The Value Index contains those with lower price-to-book ratios and represents approximately 50% of the total market capitalization of the Index.

Salomon Non-US Government Bond Index (Salomon Non-US): A market capitalization-weighted benchmark that tracks the performance of fixed-rate sovereign debt issued in the domestic market in the local currency with at least 1 year maturity. Country eligibility is determined based on market capitalization and investability criteria.

S&P Midcap 400 Index (S&P Midcap): Portfolio characteristics of the S&P Midcap 400 Index consist of 400 domestic stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted Index and measures the performance of the mid-size company segment of the U.S market.

S&P Midcap 400/Citigroup Growth Index (S&P Midcap Growth): Constructed by dividing the stocks in the S&P Midcap 400 Index according to price-to-book ratios. The Growth Index contains stocks with higher price-to-book ratios than the Value Index.

S&P Midcap 400/Citigroup Value Index (S&P Midcap Value): Constructed by dividing the stocks in the S&P Midcap 400 Index according to price-to-book ratios. The Value Index contains stocks with lower price-to-book ratios than the Growth Index.

US Treasury Bill Index (US T-Bills): A debt obligation issued by the US Treasury with a maturity of one year or less. Because of their short maturities and government guarantee of principal and interest payment, T-bills are generally regarded as safe, highly liquid investments.

US Consumer Price Index (CPI): A measurement of the average change in prices over time of a fixed basket of consumer items: food, clothes, shelter, transportation and entertainment. The Index is calculated monthly by the government to give insight on inflationary or deflationary trends.

Valued Balanced 60/40 Index (VALBAL 60/40): A balanced market benchmark comprised of 60% of the S&P/ Barra Value Index and 40% of the Bloomberg Government/Credit Bond Index.

Wilshire Real Estate Securities Index (Wilshire Real Estate): An Index that consists of all tax-qualified real estate investment trusts whose common shares are listed on the NYSE, AMEX and the OTC markets. This Index is a market capitalization-weighted Index of equity securities that provides a broad measure of the performance of the REIT market. The Index has primary business in equity ownership of commercial real estate, equity (non-health) REITs and storage-properties.