

21st April 2009

Dear Member,

Re: FTSE Hedge component of Indices

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Please find below an announcement by FTSE regarding the calculation of the FTSE Hedge index which you may know is one of the underlying indices used in the FTSE APCIMS Private Client Indices.

FTSE HEDGE INDEX SERIES ANNOUNCEMENT

FTSE has ceased calculation of the FTSE Hedge Index Series and no further values will be produced. The last daily indicative value is the 31st March 2009.

At the annual meeting of the FTSE Hedge Index Committee in March a number of constituent funds were deleted from the series for failing to meet the index series criteria. This left the series with a small number of qualifying funds, with some of the strategy indices failing to achieve the minimum number of qualifying funds required in the index series ground rules. Replacement funds which met the index series entry criteria were unavailable.

The series used Net Asset Values based on a Hedge Fund, FTSEhx. FTSE has been advised by MSS Capital, the fund manager, that a decision has been taken to wind down the fund, therefore removing the valuation source for the index.

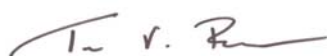
Based on this situation, FTSE has no option but to cease calculation of the index.

On being made aware of this development the FTSE/APCIMS Indices committee held an emergency meeting on the 17th April at which representatives of FTSE were in attendance. The aim of this meeting was to a) establish what had led to the current situation with the FTSE Hedge Index and b) examine the options open to the committee with respect the FTSE APCIMS Indices.

In the absence of the value of the FTSE Hedge being updated, FTSE will continue to carry forward the last published value (31st March 2009).

Both APCIMS and the Indices Committee consider this to be a matter of great importance and wish to find a solution to this problem as soon as possible. Members will be kept up to date of developments as and when they happen. Please forward any comments or suggestions directly to APCIMS.

Kind Regards



Jason Baxter
Head of Investment and Member Services