

March 24, 2011

Stux Capital Management, LLC

520 West End Avenue, Suite A

New York, New York 10024

(212) 579-7388

(212) 579-5230

www.stux.com

This Brochure provides information about the qualification and business practices of Stux Capital Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (212) 579-7388, or by email at tombauer@stux.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Stux Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Table of Contents

Material Changes	4
Annual Update	4
Material Changes since the Last Update.....	4
Advisory Business	4
Firm Description	4
Principal Owners	4
Types of Advisory Services	5
Tailored Relationships	5
Assets Under Management	5
Fees and Compensation	5
Description	5
Fee Billing.....	5
Direct Debit of Fees	5
Other Fees	5
Performance-Based Fees	5
Sharing of Capital Gains	6
Types of Clients.....	6
Description	6
Account Minimums.....	6
Methods of Analysis, Investment Strategies and Risk of Loss	6
Methods of Analysis.....	6
Investment Strategies.....	6
Risk of Loss.....	7
Disciplinary Information	8
Other Financial Industry Activities and Affiliations	8
Affiliations	8
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	8
Code of Ethics.....	8
Participation or Interest in Client Transactions; Personal Trading	8

Brokerage Practices.....	9
Selecting Brokerage Firms	9
Soft Dollars.....	9
Directed Brokerage	9
Best Execution	10
Order Aggregation.....	10
Trade Errors	10
Review of Accounts	10
Periodic Reviews.....	10
Review Triggers.....	10
Regular Reports	10
Client Referrals and Other Compensation	11
Custody	11
Investment Discretion	11
Voting Client Securities	11
Financial Information	12
Additional Disclosures	12
Business Continuity Plan	12
Privacy Notice	12

Material Changes

Annual Update

The firm is providing this information as part of our annual updating amendment which contains material changes from our last annual update. This section discusses only material changes since the last annual update which occurred on March 16, 2010.

Material Changes since the Last Update

The Securities and Exchange Commission adopted amendments to Part 2 of Form ADV effective October 2010. The newly revised Part 2 consists of Part 2A (the "Brochure") and Part 2B (the "Brochure Supplement"). Each update of the Brochure must now include a summary of all material changes since the last annual update.

This Brochure, dated March 24, 2011, is materially different in structure and contains certain new information that our previous brochure did not require. Following is a summary of additional material changes:

- (1) Product name changes. Effective January 1, 2011, the names of the firm's products changed:

Previously	As of January 1, 2011
Large Cap Core	U.S. Large Cap Core (S&P 500)
Large Cap Core Structured	U.S. Large Cap Core (Russell 1000)
Large Cap Growth	U.S. Large Cap Growth
Large Cap Value	U.S. Large Cap Value

- (2) Fee schedule change. Effective January 1, 2011, the firm's fee schedule changed to:

0.55% on the first \$10 million, 0.50% on the next \$15 million, 0.45% on the next \$50 million, 0.40% on the next \$50 million, and 0.30% thereafter. The previous schedule was: 0.55% of assets for the Core (S&P 500), Value, and Growth products and 0.35% of assets for the Core (Russell 1000) product. Fees continue to be negotiable for accounts of \$100 million or more. A base fee plus performance fee arrangement continues to be available for interested clients. For more information on our Fees see the "Fees and Compensation" section of this Brochure.

Advisory Business

Firm Description

Stux Capital Management, LLC ("Stux Capital") is a research-driven U.S. large cap equity boutique founded in 2001. The firm is registered with the SEC as an investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Principal Owners

Stux Capital is 65% owned by Stux Investments, LLC and 35% owned by Strategic Investment Group Ventures (a joint venture of California Public Employees' Retirement System and Strategic Investment Management). For more information on this affiliation, see the section "Other Financial Industry Activities and Affiliations" in this Brochure.

Stux Investments, LLC is entirely owned by employees of Stux Capital. Mr. Ivan Stux, President and Chief Investment Officer of the firm, owns greater than 25% of the firm through his ownership stake in

Stux Investments, LLC. California Public Employees' Retirement System owns greater than 25% of the firm through its ownership stake in Strategic Investment Group Ventures.

Types of Advisory Services

We manage long-only U.S. large cap equity strategies for institutional investors using analytically disciplined and quantitative methods. This approach seeks to gain systematic outperformance of a broad based benchmark market index, with risk within agreed upon guidelines and with moderate levels of transaction turnover, through sector rotation and stock selection. Stux Capital offers four services: U.S. Large Cap Core (S&P 500), U.S. Large Cap Core (Russell 1000), U.S. Large Cap Growth, and U.S. Large Cap Value. For more information on our products, please see the "Methods of Analysis" section of this Brochure.

Tailored Relationships

Each of the four services we offer can be tailored to the benchmark index required by the client. In addition, clients can impose restrictions on investing in certain securities, tracking error range, or other requirements of the client. Such restrictions must be submitted to Stux Capital in writing.

Assets Under Management

As of December 31, 2010, we managed \$670.14 million on a fully discretionary basis. We did not have any assets under management on a non-discretionary basis.

Fees and Compensation

Description

For our advisory services, we receive a fee, based upon a percentage of the market value of assets under management. The firm's standard fee schedule is as follows: 0.55% on the first \$10 million, 0.50% on the next \$15 million, 0.45% on the next \$50 million, 0.40% on the next \$150 million, and 0.30% thereafter. For accounts of \$100 million or more, the fee is negotiable.

Fee Billing

Advisory fees are payable in arrears, on a quarterly basis, pursuant to the terms and conditions set forth in the investment agreement with the client. When the investment agreement is terminated, the firm is entitled to the pro-rata amount of its fee earned through the date of termination. Generally, either the firm or the client is free to terminate an investment agreement without penalty at the end of any month by furnishing thirty days' prior written notice to the other party.

Direct Debit of Fees

The firm's practice is to bill clients for fees incurred, and does not deduct fees from clients' assets.

Other Fees

In connection with our advisory services, clients may incur and are responsible for the fees and expenses charged by their custodians and charges imposed by broker-dealers. Such fees may include, but are not limited to, custodial fees, transaction costs, and brokerage commissions. Brokerage commissions are typically charged directly to client's assets. For more information on brokerage/transaction costs, see the "Brokerage Practices" section below.

Performance-Based Fees

Sharing of Capital Gains

None of the firm's clients currently pays performance-based fees, that is, fees based on a share of capital gains on or capital appreciation of the assets of a client account. However, we will offer performance-based fee arrangements, if desired by a client. If Stux Capital were to have accounts that were charged a performance-based fee and other accounts that were charged a flat percentage fee of the type described in the fee schedule above, the firm may face a conflict of interest when managing these accounts at the same time, including that the firm may have an incentive to favor accounts with performance-based fees. We would avoid this potential conflict of interest by executing all transactions in accounts with similar investment objectives and benchmarks at the same time and price (or as close to the same time and price as is practically feasible), regardless of the type of fee arrangement of the accounts. For more information on our allocation practices, see the "Brokerage Practices" section below.

Types of Clients

Description

Stux Capital offers its advisory services to institutional investors, including pension funds, endowments, foundations, charitable organizations, and sub-advisory platforms.

Account Minimums

Subject to negotiation; the minimum dollar value of assets for starting an account is \$10 million.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

The methods of analysis used for selecting stocks are analytically disciplined and quantitative. We use publicly available information and proprietary computer-based statistical and mathematical techniques.

Information used includes historical and current information on: (i) company fundamentals (e.g.: earnings, prices, dividends, cash flow, revenues, sales, growth, industry and index classifications), as available from data vendors such as Compustat; (ii) analysts' earnings estimates from vendors such as Thomson I/B/E/S; and (iii) various macroeconomic data (inflation, gross domestic product, industrial production, capacity utilization, interest rates, currency rates, etc.) as available from government, Federal Reserve, and other public sources.

Investment Strategies

Stux Capital manages long-only U.S. large cap equity strategies using analytically disciplined and quantitative methods as discussed above. This approach seeks to gain systematic outperformance of a broad based benchmark market index, with risk within agreed upon guidelines and with moderate levels of transaction turnover.

The firm offers four services: U.S. Large Cap Core (S&P 500), U.S. Large Cap Core (Russell 1000), U.S. Large Cap Growth, and U.S. Large Cap Value. The benchmarks for these services are the S&P 500 index, Russell 1000 index, Russell 1000 Growth index, and Russell 1000 Value index, respectively. Each service seeks to outperform the benchmark by 1.5-2.5% per year, net of management fees, over a full

market cycle of 3-5 years. The typical number of holdings is 150-225 for the Core (S&P 500), Growth, and Value services and 250-400 for the Core (Russell 1000) service.

The investable universe is the benchmark for the service that the client has selected (e.g., the S&P 500 for the U.S. Large Cap Core (S&P 500) service). We do not buy stocks which are outside the benchmark. We use a sector rotation model and stock selection model to identify which stocks in the benchmark are attractive. Generally, once a stock is determined by our models to be attractive (or unattractive), it remains so for 9-15 months on average. We purchase these attractive stocks for the portfolios, subject to a number of risk controls (e.g., limit on the weight of a stock in the portfolio, limit on the weight of a sector in the portfolio, etc.). Other stocks may be included for risk control. On a monthly basis, the models are run, the list of attractive stocks is refreshed, and the portfolio is rebalanced.

Risk of Loss

Although we make every effort to preserve each client's capital and achieve real growth of wealth, investing in the stock market involves absolute risk of loss that each client should be prepared to bear. Equity securities can be affected by company related, macroeconomic, and other factors affecting the stock market including: changes in a particular company's financial condition, unfavorable or unanticipated poor performance by a company, and changes to investor sentiment, among other things. Stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is the chance that stock prices overall will decline because the stock market tends to move in cycles, with periods of rising and falling prices. Individual investments may decline due to general weakness in the stock market, or due to the specific factors affecting company returns or a particular industry.

In addition, since our investment approach seeks to gain systematic outperformance of a broad based benchmark index, clients will also be bearing relative risk of loss in the event that our investment strategy underperforms the benchmark index. We monitor this risk through the measure known as tracking error, defined as the annualized standard deviation of the monthly incremental returns (positive or negative) versus the benchmark index. We target an annual tracking error of 3.0-4.5% for the Core (S&P 500), Growth, and Value services and 2.0-3.5% for the Core (Russell 1000) service.

Material risks involved in the firm's investment strategies include:

- (i) Data risk – the risk that the data and information we use is erroneous or incomplete. We manage this risk by collecting data only from reputable, proven vendors, and by reviewing the data on a periodic basis for reasonableness and unusual outliers. We will correct these deficiencies as feasible.
- (ii) Model risk – the risk that our proprietary stock selection and sector rotation models provide inaccurate forecasts of stock or sector attractiveness. We address this risk through careful ongoing research and, (1) for the sector rotation model, through diversification by building individual models for each sector, and (2) for the stock selection model, by the diversified nature of our portfolios, which contain over 150 names.
- (iii) Portfolio construction risk – the risk that the portfolios we construct contain unintended exposures or persistent biases. We manage this risk by regularly examining our sources of return to detect the sources of any particular large gains or losses as well as any persistent biases in exposures, and correcting any systematic causes, if any, of such occurrences.
- (iv) Trading/execution risk – the risk that we are not able to rebalance our portfolios on a timely basis. We generally rebalance our portfolios on a monthly basis. Trading/execution risk is largely mitigated through the generally ample liquidity of U.S. large cap stocks. For transactions in securities that may represent a potentially materially share of a security's trading volume, we will spread out trading in those securities to minimize the negative impact on the security's price at the time of execution.

- (v) Systems risk – the risk that our investment infrastructure (software, hardware, databases, and communications links) is damaged or inaccessible for a protracted period. We mitigate this risk by having redundant hardware, off-site electronic backup of all data and key software, and an investment process that typically only requires monthly rebalancing.

Disciplinary Information

Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Stux Capital or the integrity of our management. Stux Capital and our management personnel are not currently, nor have they ever been, a party to any such legal or disciplinary action.

Other Financial Industry Activities and Affiliations

Affiliations

Stux Capital's sole business is asset management of equity portfolios. It does not have any affiliates other than Stux Investments, LLC. The sole purpose of Stux Investments, LLC is to serve as the vehicle of ownership for employees of Stux Capital.

Stux Capital executes all trades through non-affiliated broker/dealers. The firm is not registered as a broker/dealer, nor does it have any affiliate that is registered as a broker/dealer.

Stux Capital is 65% owned by Stux Investments, LLC and 35% owned by Strategic Investment Group Ventures, a joint venture of California Public Employees' Retirement System and Strategic Investment Management. Strategic Investment Management is an SEC-registered investment adviser.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

As a matter of policy and practice, and consistent with industry best practices and SEC Rule 204A-1 under the Advisers Act, Stux Capital has adopted a written Code of Ethics. Our Code of Ethics requires high standards of business conduct; compliance with federal securities laws; reporting and recordkeeping of personal securities transactions and holdings by employees; reviews to detect and prevent possible insider trading, conflicts of interest and potential regulatory violations; sanctions; and the delivery and acknowledgement of the Code of Ethics by each employee. The firm will provide a copy of our Code of Ethics to clients or prospective clients on request.

Participation or Interest in Client Transactions; Personal Trading

Stux Capital or our employees may from time to time purchase, sell or otherwise enter into transactions for ourselves or ourselves in publicly or privately traded securities and other instruments that we recommend to our advisory clients. Stux Capital or an employee may purchase or sell securities which are recommended to, or purchased or sold for, clients only with the prior written consent of the President

or his authorized designee. However, Stux Capital does not permit the purchase or sale of securities for an employee's personal account or for Stux Capital's own account, if such transaction would occur just prior to, at the same time, or at nearly the same time, as a transaction in the same security for a client account.

Personal securities trading by employees could create potential conflicts of interest because the decision to buy or sell a security for the account of a client can affect the value of that security or related security held by the firm or one of our employees. Furthermore, the decision to purchase or sell a security by the firm or one of our employees can affect the value of that security or a related security held by a client. Such transactions will only be approved and effected if they are consistent with applicable fiduciary duties and internal policies and procedures. No employee shall give preference to his or her own interest over that of the advisory client.

Employees are required to provide copies of their personal brokerage statements to the company on a quarterly basis.

Brokerage Practices

Selecting Brokerage Firms

Stux Capital selects broker/dealers with which to place trades based upon "best execution". The SEC has stated that the determining factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution. In seeking best execution we consider the full range of services a broker/dealer provides including: price, commissions, market impact, and bid/offer spread; ticket charges, if any; capital position; ability to execute and clear program trades in an orderly and acceptable manner; ability to preserve trade confidentiality; and consistent quality of service regarding broad market coverage and information concerning bids and offerings.

Additionally, consideration may be given to brokerage firms providing research-related products (e.g., risk models, index composition data, pre-trade and post-trade analytics, etc.). Stux Capital may consider the quality of the research services and/or brokerage services, including but not limited to company reports, industry reports, economic reports, conference calls, analyst meetings and pricing data. The provision of research services and/or brokerage services may result in higher commissions being charged to clients. When used, such research and/or brokerage services will benefit all accounts to which such services are applicable.

Soft Dollars

The firm does not have any soft dollar arrangements with executing broker/dealers. However, as noted above, consideration may be given to brokerage firms providing research-related products.

Directed Brokerage

Stux Capital permits transactions to be executed through client-directed brokers within mutually agreeable limits. For a current client, for example, the firm must generate commissions with client-directed brokers equal to at least 3% of management fees. This client's directed brokerage program supports disabled veteran-owned firms. For transactions executed by this particular broker, the client is paying a slightly higher commission rate than for transactions executed by the firm's other brokers in order to meet the client's target. Clients who direct brokerage may also receive less favorable prices and may not be included in aggregated orders.

We review the execution quality of our approved broker/dealers, including client-directed brokers, on a monthly basis. We make changes to the approved list—both additions and deletions—on an as-needed basis.

Best Execution

At the current time, the vast majority of our trades are executed at the close at month-end, through an order type called “market on close” (MOC). We execute in this fashion due to the monthly rebalancing cycle of the strategy and the inherent liquidity pattern of U.S. large cap stocks. As a result, commission costs are a significant factor in our evaluation of best execution. As part of this evaluation we ensure such commissions are competitive. In addition, we consider qualitative factors (noted above) in our evaluation of our monthly trades.

Given Stux Capital’s MOC approach, all clients receive the same month-end closing prices for trades in the same security. For the small proportion of trades executed away from the close due to liquidity considerations, clients may receive slightly different prices for trades in the same security.

Order Aggregation

Stux Capital does not aggregate trade lists from different client accounts into one master trade list. We keep trade lists separate, and send each list to a different broker or brokers for execution. Even though the lists are kept separate, all clients still receive the same month-end closing prices for trades in the same security, given the firm’s MOC approach for all clients. For the small proportion of trades executed away from the close due to liquidity considerations, clients may receive slightly different prices for trades in the same security.

Trade Errors

In the event any trade error occurs in the handling of any client transactions, due to Stux Capital’s actions, or inaction, or actions of others, our policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting the firm. If the error is the responsibility of Stux Capital, the client transaction will be corrected and the firm will be responsible for any client loss resulting from an inaccurate or erroneous order. Our policy and practice is to monitor and reconcile all trading activity, identify and resolve any trade errors promptly, document each trade error with appropriate supervisory approval and maintain a trade error file.

Review of Accounts

Periodic Reviews

As part of our regular monthly investment cycle where each client portfolio is rebalanced at month-end, the investment team reviews each client’s portfolio: recent performance, current and proposed positioning, and compliance with client investment guidelines and restrictions. This review is led by the firm’s President/Chief Investment Officer.

Review Triggers

The investment team may review a client’s portfolio at times other than the regular month-end review if the portfolio’s performance has experienced sharp or significant gains or losses, or if the client wishes to amend their investment guidelines, objectives, restrictions, or benchmark. Periodic account reviews can also be triggered by significant market movements.

Regular Reports

We provide each client a monthly report which contains summary information regarding performance, performance attribution, and portfolio positioning. Clients are also provided a quarterly report which contains more detailed information. In addition, we have quarterly conference calls with interested clients and also conduct face-to-face meetings with interested clients typically on an annual or semi annual basis. Finally, we provide reports from time to time to clients on our research findings, outlook for the market or U.S. large cap stocks, or investment approach/philosophy.

Client Referrals and Other Compensation

Stux Capital has entered into agreements with two third-party marketing firms for their solicitation of certain prospective clients for Stux Capital. One of these firms is located in the U.S. and is registered with the SEC as an investment adviser. The other is located in Europe and solicits only European investors. We compensate these entities for referring advisory clients to us. Referral fees will be paid by Stux Capital as a percentage of the annual management fees earned on referred accounts and will not represent any additional expenses to those client accounts.

Client referral and solicitation arrangements by nature can potentially present an inherent conflict of interest between the adviser and client. As such, Stux Capital complies with Rule 206(4)-3 (the Cash Solicitation Rule) of the Advisers Act, which requires that, among other things, the firm not compensate any party for client referrals without a written agreement. The rule also requires that prospective clients be provided disclosures by the solicitor, which clearly describes the solicitation terms and compensation arrangement.

For any client referrals brought by an employee, the firm may take them into account in that employee's compensation decision.

Custody

Stux Capital does not take possession or custody of client funds or securities. Each of the firm's current client accounts is a separate account with client funds and securities held by a custodian selected by each client.

Typically, each month we send to each client (i) a list of portfolio holdings and (ii) performance for the account and the account's benchmark, so that the client can compare the holdings and performance reported by their custodian with the holdings and performance reported by us. We are required by each client to reconcile their list of holdings with the list reported by the client's custodian on either a weekly or monthly basis, depending on the client.

Investment Discretion

Stux Capital has discretionary authority to manage securities accounts on behalf of all of our clients, subject to the investment objectives, benchmark, investment guidelines, and investment restrictions (e.g., certain stocks may be restricted by some clients) as provided in the investment agreement executed between Stux Capital and each of our clients.

Voting Client Securities

Stux Capital, as a matter of policy, as a fiduciary to our clients, and consistent with Rule 206(4)-6 of the Advisers Act, has responsibility for voting proxies for portfolio securities consistent with the specific voting guidelines, if any, and best economic interests of our clients. We maintain written policies and procedures as to the handling, research, voting and reporting of proxy voting and make appropriate disclosures about our proxy policies and practices. Policy and procedures include the responsibility to monitor corporate actions, receive and vote client proxies and disclose potential conflicts of interest, as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.

We will generally vote in favor of routine corporate housekeeping proposals such as the uncontested election of directors and selection of auditors absent conflicts of interest raised by an auditor's non-audit services. We will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights. In reviewing proposals, we will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices. A client may direct us to vote in a certain way on a specific proxy by contacting us in writing.

Stux Capital will identify any conflicts that exist between it and clients by reviewing the relationship of the firm with the issuer of each security to determine if Stux Capital or any of our employees has any financial, business or personal relationship with the issuer. If a material conflict of interest exists, Stux Capital will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined third-party voting recommendation. On request, Stux Capital will provide to clients our Proxy Voting Policy as well as a copy of the votes cast for their accounts.

Our clients can, and many do, elect to vote their own proxies. In these cases, they receive their proxies or other solicitations directly from their custodian. For certain proxies (e.g., the proposed merger of one of the companies in their portfolio with another company), they may contact Stux Capital by phone or in writing to obtain Stux Capital's analysis or recommendation prior to making their vote.

Financial Information

Stux Capital has discretionary authority of client securities. There is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

Additional Disclosures

Business Continuity Plan

Stux Capital has a contingency and disaster recovery plan to assist us in minimizing the effects of any emergencies, contingencies or other disasters on our operations. In devising the plan, we have considered the risk of various disasters to our operations including both localized disasters (e.g. flood, building fires, storms, computer overloads and local blackouts) as well as wide-scale disasters. The plan is regularly reviewed by management, and in particular includes provisions for offsite data backup by a third-party vendor. We seek to formally test the plan annually.

Privacy Notice

Stux Capital is committed to protecting the confidentiality and security of information we collect about our clients. We do not disclose non-public information about our clients, without their consent, with any non-

affiliated party except for the specific purposes described in our Privacy Policy and in accordance with all applicable laws. This Privacy Policy is available upon request.