

wwwSchedule F of Form ADV Continuation Sheet for Form ADV Part II	Applicant: F-Squared Investments, Inc.	SEC File Number: 801-69028	Date: July 27, 2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: F-Squared Investments, Inc.		IRA Empl. Ident. No.: 83-0470194
Item of Form (Identify)	Answer	

Item 1.D.: Investment Services and Fees

F-Squared Investments (F-Squared) is an SEC registered boutique investment management firm providing investment advisory and portfolio management services for a wide range of clients.

F-Squared was founded with the explicit mission of redefining how quality investment management can be reliably delivered to investors. *The starting point of every investment strategy, process, and product is the client.* What are their desired investment benefits? How do they evaluate success – and failure? Are our solutions able to reliably meet those goals? Are our fees fair and reasonable considering our investment benefits created?

We believe strongly that investment strategies need to be designed to meet the clients' real and ongoing needs, not to generate sales. Our firm's focus on issues such as loss avoidance, downside risk management, and repeatability of returns are often not the most glamorous topics in the investment industry, but they are the keys to unlocking real wealth for our clients, and thus our aggressive focus.

To support our investment objectives, F-Squared has pioneered an innovative business model within the investment management industry that delivers several benefits not previously seen together in the industry:

- Low cost manufacturer for active investment solutions
- Repeatable, risk-controlled investment strategies
- Industry leading transparency of process and holdings
- Virtually unlimited investment options
 - Multiple investment solutions, open architecture platform
 - Includes access to portfolios that may be currently restricted or closed
- Customization capabilities – Low cost customization, short delivery cycles, and private label options

We offer two suites of investment solutions:

- AlphaSector™ Strategies: Investment portfolios designed to create long-term value by avoiding losses. These portfolios track our family of AlphaSector Indexes, and are actively offered to Advisors, Brokers, Wealth Managers, Family Offices, Trust Companies, and Institutional investors. Individual investors can access the strategies through one of our sub-advised mutual funds or our many distribution partners. Investment portfolios are delivered in multiple formats and operational means to meet the needs of our clients.
- Custom Replication Solutions: Investment solutions derived from our proprietary PoRT™ technology that allows F-Squared to accurately clone most actively managed equity mutual funds. This investment solution is targeted to solving significant business challenges such as hedging active manager basis risk of variable annuities or enabling construction of low cost custom portfolios of active managers. While this suite of investment solutions is typically targeted to institutional investors, investment portfolios tracking our suite of AlphaCycle™ Indexes are actively offered to Advisors, Brokers, Wealth Managers, Family Offices, Trust Companies, Consultants, and Institutional investors.

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Separately Managed Accounts, Model Portfolios, and Institutional Separate Accounts

F-Squared creates multiple investment strategies eligible for sale as Separately Managed Accounts (SMAs), Institutional Separate Accounts, or Model Portfolios. These strategies typically track one of our AlphaSector or AlphaCycle Indexes.

F-Squared outsources virtually all trading, clearing, and custody for our strategies. This generates several benefits for our clients. First, it allows us to have multiple operational solutions for our clients, customized to their specific needs. F-Squared passes along the direct costs of a selected operational solution without ever marking up the cost. Second, it translates to industry leading standards of transparency. Finally, it reflects industry best practices regarding separation of investment decision-making and investment execution.

The most typical pricing options for providing SMAs or Model Portfolios, excluding operational costs, are as follows:

<u>ASSET LEVEL</u>	<u>ALPHACYCLE STRATEGIES</u>
Asset levels up to \$100 million	35bp (0.35%)
Asset levels > \$100 million and < \$500 million	25bp (0.25%)
Asset levels > \$500 million	20bp (0.20%)
<u>ASSET LEVEL</u>	<u>ALPHASECTOR STRATEGIES (MONTHLY)</u>
Firm asset levels up to \$25 million	40bp (0.40%)
Firm asset levels > \$25 million and < \$100 million	35bp (0.35%)
Firm asset levels > \$100 million	30bp (0.30%)
<u>ASSET LEVEL</u>	<u>ALPHASECTOR PREMIUM STRATEGIES (WEEKLY)</u>
Firm asset levels up to \$100 million	60bp (0.60%)
Firm asset levels > \$100 million	55bp (0.55%)

The minimums for the SMAs are typically determined by the SMA platform sponsor or operational provider, and can range from \$25,000 to \$250,000 for individual accounts. Institutional minimums are typically \$10,000,000. Costs of trading and operations for the SMA and Model Portfolio are determined by the SMA platform sponsor or trading platform. Fee collection schedules are typically determined by the platform sponsor. These fees may be negotiable based on operational support and expected future asset growth.

Sub-Advisory Services

F-Squared currently sub-advises multiple mutual funds that are readily available to individual investors. In addition, F-Squared creates multiple investment strategies eligible for sale as sub-advisory solutions to mutual funds, exchange traded funds (ETFs) and variable annuities (VAs). The fees charged by F-Squared for sub-advisory solutions for use within commingled vehicles are negotiated.

The minimums for these services are \$25 million.

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Custom Replication Solutions

F-Squared creates multiple investment strategies eligible for sale to institutional investors through our Custom Replication Solutions services. In most all cases, F-Squared delivers the investment solutions as model portfolios for execution on the client's investment platform, or to the trading and custodial provider of their choice.

Our Custom Replication suite builds off of F-Squared's proprietary technology engine Portfolio Replication Technology (PoRT™). PoRT allows F-Squared to replicate, through the use of public information, most equity-based mutual funds, closed end funds, or variable trust funds in the United States. F-Squared does not replicate individual funds, but instead replicates select, custom portfolios of funds ("Target Portfolio"). The basket of funds that make up the Target Portfolio are either 1) selected by the Institutional Investor or Consultant (alpha generation objective), 2) determined by an existing investment portfolio that the client wishes to see replicated (e.g. existing executive deferred compensation plan), or 3) one of our 18 AlphaCycle Indexes of actively managed mutual funds (alpha generation objective).

F-Squared's proprietary Customized Replication Solutions provide Consultants and Institutional investors:

- Access to the performance of world class managers at below market minimums
 - Fully integrated, multi-manager portfolios
 - Open architecture platform
 - Selection of a portfolio of any publicly listed domestic equity mutual fund (including funds closed to new investments)
 - Selection can be based on manager preference or portfolio characteristics
 - Optimal diversification of process and managers
- No restrictions on buy discipline or sell discipline
 - Board approval of concept rather than individual managers improves timeliness of manager changes
- Superior compliance and risk controls
 - Transparency of holdings
 - Internal control of operations including compliance, custody, trading and valuation
- Fees are well below industry averages; elimination of traditional mutual fund fees; no layering of fees

Applications for Custom Replication Solutions address critical needs of institutional investors, including needs that might have been previously unmet. Examples include:

- Alpha generation for public or private pension plans, endowments, foundations, and fund of fund structures
- Hedging of active manager basis risk for variable annuity (VA) providers
- Replication of Company-Owned or Business-Owned Life Insurance and Executive Deferred Compensation plans, allowing sponsor firms to recapture the expense ratio and associated working capital

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The most typical fees charged by F-Squared for our Custom Replication Solutions are as follows, although these fees may be subject to negotiation:

<u>ASSET LEVEL</u>	<u>CUSTOM REPLICATION</u>
Asset levels up to \$100 million	25bp (0.25%)
Asset levels > \$100 million and < \$250 million	22.5bp (0.225%)
Asset levels > \$250 million and < \$1 billion	20bp (0.20%)
Asset levels > \$1 billion	15bp (0.20%)

Item 4.A.5: Methods of Analysis, Sources of Information, and Investment Strategies

F-Squared primarily offers two suites of products: Custom Replication Solutions (which includes AlphaCycle strategies) and AlphaSector strategies.

Custom Replication offerings have been described above. AlphaCycle Indexes are select portfolios of best-in-class actively managed mutual funds that have been selected by third-party institutional consultants. By using disciplined means of determining when to add funds to the portfolio and when to remove them, AlphaCycle attempts to capture excess return from the managers for the period of time that they outperform the market. There are 18 discrete AlphaCycle strategies covering most domestic equity asset classes. All AlphaCycle products are designed to consistently outperform their benchmarks and peer groups with modestly reduced risk.

AlphaSector Indexes are a suite of investments that are designed to meet the REAL needs of investors: relative outperformance in rising markets, and significant risk controls in declining markets. Avoiding losses has been proven to improve both wealth creation as well as increasing the success rate of systematic withdrawal programs.

All of the AlphaSector Indexes (currently eight) invest in exchange traded funds (ETFs) with all security decisions made with the intent of avoiding losses, in particular significant market declines. In periods of extreme market distress a partial or complete allocation to short-term bonds (a "cash equivalent" investment) is allowed. Cash is viewed as the only safe haven in times of significant bear markets.

This approach to investing is done for two reasons. First, losses have an exponentially negative impact on long-term returns (a 50% loss requires a subsequent 100% gain to return to even). Second, when comparing the frequency and extent of extreme losses versus extreme gains of most equity asset classes, the extreme losses are both much more frequent and cumulatively greater than the extreme gains. Focusing all decisions on avoiding losses creates an "odds-in-your-favor" approach to investing.

The flagship US equity versions of the Indexes reflect a live track record dating back to April, 2001, and are therefore stress-tested across two bear markets and a bull market.

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CUSTOM REPLICATION SOLUTIONS

F-Squared generates its investment solutions through a two-step process:

1. Construction of custom portfolios of actively managed mutual funds. This can be done to achieve consistent outperformance (alpha generation) or to reflect an existing investment portfolio where conversion to individual securities offers investment or financial benefits.
2. Creation of Tracking Portfolios of individual stocks (delivered as Model Portfolios).

Creation of Alpha through the construction of portfolios of actively managed mutual funds

Typically, Institutional investors will select the portfolio of mutual funds themselves based on the objectives of either alpha generation or replication of an existing portfolio of funds. F-Squared also offers an “off the shelf” version eligible for sale through our Replication services – AlphaCycle Indexes.

A subsidiary of F-Squared, Active Index Solutions, creates and publishes a series of specialty indexes (AlphaCycle Indexes and AlphaSector Indexes) covering a wide range of investment strategies and asset classes. As of January 2010 F-Squared had 26 such indexes, 19 of which are published daily by either the New York Stock Exchange or NASDAQ OMX.

Each AlphaCycle Index is constructed utilizing the principles of AlphaCycle investing³, and consists of a select portfolio of 'best in breed' mutual funds, with the funds selected annually by third party institutional consultants. The Net Asset Value and the Gross of Fee values of each AlphaCycle Index are published daily by the New York Stock Exchange. Complete performance information for all AlphaCycle Indexes can be found at www.activeindexsolutions.com.

The construction process of the Indexes can be seen in detail at www.activeindexsolutions.com, but the core principles of AlphaCycle Investing include:

1. Professional selection of “best of breed” mutual funds;
2. Multi-manager implementation, creating diversification at the process level (typical Index has 10 underlying mutual funds);
3. Strict sell discipline and embedded manager rotation – An annual reconstitution of the index constituent funds occurs February 15 of every year, and is designed to ensure that the Index maintains a current version of “best in class” actively managed mutual funds at all times.

Creation of Tracking Portfolios of individual stocks⁴

F-Squared Investments builds portfolios of investible securities (Tracking Portfolios or investment models) which are designed to track, as closely as possible, the performance of portfolios of actively managed mutual funds (“Target Portfolios”). Target Portfolios can include the AlphaCycle Indexes. These portfolios are delivered as Model Portfolios for SMAs and IMAs, and Institutional Separate Accounts for institutional and sub-advisory mandates.

³A more complete understanding of AlphaCycle Investing can be found in the article “Alpha Unleashed” published by the *Journal of Indexes*, March 2008, and available on the F-Squared website at www.f-squaredinvestments.com.

⁴F-Squared **DOES NOT GUARANTEE** that the performance of the tracking models will replicate the performance of the target AlphaCycle Index.

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Using sophisticated replication technology, our proprietary Portfolio Replication Technology (PoRT™), F-Squared is able to build tracking portfolios of individual securities for each Target Portfolio. Only public information is used in this process.

PoRT™ is the result of development, testing, and usage dating back to the late 1990's. This technology allows us to create an investment solution (a portfolio of individual stocks) that avoids a direct investment into the Target Portfolio's underlying basket of mutual funds. In fact, there are no costs to the investor from either investing in the underlying funds (they are never purchased) or for any licensing fee to the underlying funds, and therefore no layering of fees. This approach allows F-Squared to reduce the total fees charged to levels that are 50% or more below that of traditional investment management fees⁵.

For the sake of clarity, F-Squared investment solutions do not include the direct investment into any mutual fund. All investments are into portfolios of individual stocks that are generated by PoRT. This approach allows us to capture the alpha from the Target Portfolios without the layering of fees, operational restrictions, and potentially illiquidity that occurs from investing in underlying mutual funds.

The only inputs into PoRT are publicly available information, which includes the daily performance result of the Target Portfolio and the underlying funds, historical fund holdings as periodically reported to the SEC, and other data deemed useful by F-Squared. PoRT then uses a dynamic regression engine on top of a massive scale optimizer to generate the Tracking Portfolios or Model Portfolios.

F-Squared Investments was designed from its inception to optimally leverage its replication technology. This allows us to both implement our Custom Replication solutions while also significantly reducing costs. F-Squared does not employ expensive portfolio managers or investment analysts for this effort, nor does it have the additional day to day costs associated with traditional investment professionals. This allows us to be the industry's low cost leader for delivering active management. We are also not tied to proprietary investment teams, and can therefore fully deliver the open architecture platform required for AlphaCycle Investing.

ALPHASECTOR INVESTMENT STRATEGIES

The core philosophy and methodology behind our AlphaSector strategies and Indexes were designed to meet the REAL needs of individual and wealth investors. This means that our AlphaSector suite are designed to modestly outperform their benchmarks in normal bull markets, but dramatically outperform in significant down markets or bear markets.

AlphaSector strategies provide superior downside risk management, especially in weak markets. They represent a powerful but simple story, and use NO derivatives, leverage, or shorting.

This dual approach – perform as relative performers in up markets but act more like absolute return investments in down markets – is specifically designed to increase an investor's likelihood of meeting their investment goals over a full

⁵Sources: Morningstar Direct, Financial Research Corporation, Dover Research, and F-Squared Investments

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market cycle. Additionally, there is a large volume of research that points out that the single biggest threat to systematic withdrawal or retirement income objectives is significant losses. Therefore, the singular focus of AlphaSector on avoiding losses ideally positions this suite of strategies ideally for retirees and endowments, foundations, and plan sponsors looking to reliably meet their annual funding commitments.

Portfolio Construction and Design

The domestic strategies (AlphaSector Rotation and Premium) invest in exchange traded funds (ETFs) representing the 9 sectors of the S&P 500 or short-term Treasuries. The implementation of the strategy is exclusively through ETFs, which are low cost, highly liquid index-linked vehicles tracking the performance of each respective sector. The ETFs used are published by State Street Global Advisors, and include the Select Sector SPDRs and an ETF tracking short term Treasury securities as the proxy for cash. As such, there are a maximum number of 9 securities in the portfolio at any one time, resulting in operational ease and lower transaction costs.

AlphaSector Global and International include ETFs that represent MSCI EAFE (EFA) and Emerging Markets (EEM).

AlphaSector AllWeather is a fully diversified portfolio adding in ETFs tracking traditional fixed income asset classes and “alternative” asset classes such as gold and REITs.

All monthly AlphaSector Indexes portfolios are rebalanced monthly. All Premium Indexes are reviewed weekly for reconstitution and rebalancing.

Default “position” within each Index is to have all available ETFs (other than cash) invested and equal weighted within that index or sleeve. Decisions to remove a sector or asset class from the portfolio at any time are based on a probabilistic determination that that sector or asset class is viewed to lose money on a forward looking basis.

For example, the flagship US Equity AlphaSector Indexes determine when to “turn off a sector” through analysis from a proprietary analytical engine that evaluates “true” sector trends while adjusting for market “noise” and for changing levels of volatility within each sector. ETFs are included in the portfolio based on a binary model: A positive signal results in inclusion in the portfolio, and a negative signal results in complete removal from the portfolio. All sectors, or asset classes included in an index or sleeve of the Global and AllWeather indexes, are equal weighted with a maximum allocation to any one sector capped at 25% of the portfolio.

When our models signal a bear market (defined as having 6 or more of the 9 US sector ETFs removed due to the expectation of future losses) AlphaSector will begin to build a position in short-term Treasuries, which can include up to 100% of the portfolio. This ability to automatically shift to a defensive position in times of broader market weakness is critical to the portfolio’s ability to manage downside risk exposures.

For more information about the philosophy, methodology and construction of any individual AlphaSector Index please see our website at www.f-squaredinvestments.com.

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Item 4.B.8: Methods of Analysis, Sources of Information, and Investment Strategies

F-Squared uses a variety of public information as inputs into our PoRT engine. We access the information through a variety of commercially available data services including Morningstar, Standard & Poors, Lipper, others. We also access certain data from public websites. All information used in our approach is publicly available information. Specific sources of information as input to PoRT includes:

- Daily values of the Target Portfolios or the AlphaCycle Indexes as published by the American Stock Exchange;
- Daily Net Asset Values (NAVs) of the underlying mutual funds in the indexes;
- Total return performance returns for all stocks in the investable universe for each Index;
- Publicly disclosed data representing complete or partial historical holdings data for all funds each Index (mutual funds periodically publish historical holdings data to the SEC, with the most common frequency quarterly with a 30 – 45 day lag).

F-Squared also receives data input into the process from outside investment firms, data providers, or consultant firms for either our AlphaSector Indexes or AlphaCycle Indexes. These firms include Morningstar, Standard & Poors, New Found Research, and Active Index Solutions.

Item 5: Education and Business Standards

All professionals involved in determining or giving investment advice meet the following minimum standards:

- Licensed as required
- College degree
- 5 years of professional experience

Exceptions to education level and work experience may be made on a case by case basis.

Item 6: Education and Business Background

The following individuals represent the principal executive officers of the firm:

Howard Present – President and Chief Executive Officer, Board Member

Mr. Present is Co-Founder, President and CEO of F-Squared Investments. Prior to F-Squared Investments, he was Founder and President of Helicon Partners LLC, a boutique management firm specializing in new business development within the financial services industry.

Previously, Mr. Present was Managing Director at Evergreen Investments where he was a member of the Evergreen Executive Committee. Mr. Present ran global product management and strategy for the firm, led the successful multi-

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billion dollar business launch into closed end funds, and was business owner of the Alternative Investments, Managed Accounts, and 529 businesses. He was also a lead participant in the firm's M&A efforts.

Prior to joining Evergreen, he was a Managing Director at Putnam Investments, where he founded the firm's Corporate Product Management department. He also was Partner and Director of Strategy for the Boston Financial Group, a leader in the real estate investment industry, and spent 6 years at Chase Manhattan Private Bank where he ran the firm's offshore fund business.

Mr. Present earned a BS in Petroleum Engineering from the University of Texas at Austin and an MBA from Emory University, where he was awarded the Robert W. Woodruff Fellowship for academic excellence. He was born in 1961.

Mr. Present has authored or co-authored several strategy white papers and research studies covering the investment industry, including a 2006 Study in conjunction with Financial Research Corporation entitled "*THE NEW GATEKEEPERS: Navigating the Investment Manager Selection Process at Distributors.*"

George McClelland – Vice Chairman and Director of Business Development, Board Member

Mr. McClelland is a Co-Founder, Vice Chairman, and Director of Business Development for F-Squared Investments. Mr. McClelland has experience in the computer, software, telecommunications, financial services, Internet auction, nanotech and medical delivery fields. Mr. McClelland has held senior positions at Data General, Fidelity Investments, University of Massachusetts Medical Center and United Asset Management. He has founded, or co-founded The Charitable Gift Fund and eSecLending companies, where he was Chairman and CEO.

He currently serves on the board of Safeguard Scientifics, Inc.; Friends of the Children, Boston; and is member of the Board of Advisors for Windward Investments and Executive Resources International. He has previously served on the Boards of Riverstone Networks, Storage Networks, The Campbell Group, OSV Partners, Acadian Asset Management, Dwight Asset Management, Clay Finlay, Rogge Partners, Palladyn, Murray Johnstone, L&B Realty Advisors, C S McKee, Advisory Committee of the Group of Thirty, and others.

Mr. McClelland has lectured at MIT, Boston College, and Bentley College. He also has the rare distinction of having Harvard Business School write a case series on entrepreneurship and leadership based on his experience. This case is taught to all first year students. His educational background includes Trinity College in Hartford, Connecticut with a BA in economics, cum laude, Harvard Business School with an MBA (with distinction). In 1998 he was awarded a Ph.D., Humane Letters from the University of Massachusetts Medical School in Worcester, Massachusetts. Mr. McClelland was born in 1946.

Vadim Fishman – Senior Vice President and Chief Technology Officer

Mr. Fishman is a Co-Founder, Senior Vice President and Chief Technology Officer of F-Squared Investments. Prior to

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joining F-Squared Investments, Mr. Fishman was the Founder and CEO of IntelDM, Inc., a consulting firm providing mathematical and programming services for the financial services and biotech industries.

Previously, Mr. Fishman was Software Project Manager for Artann Laboratories, where he led software development of new medical diagnostic devices. In this capacity, he designed and developed a near real-time methods and software for 2D- and 3D-medical image analysis. He has also held analytical and development roles for such firms as Markov Processes, Inc., Minimax Ltd. in Kharkov, Ukraine, and the Kharkov Institute of Industrial Buildings.

Mr. Fishman is fluent in multiple computer and web programming languages, software and database programs. He earned an MS in Technology from the Kharkov Politechnical University in Kharkov, Ukraine. He was born in 1960.

Richard F. Tomney – Senior Vice President, Business Development

Rick Tomney joined F-Squared in January, 2009. Prior to F-Squared he was Marketing Director at Gottex Fund Management responsible for institutional sales and client service to North American clients and consultants. Prior to Gottex, Mr. Tomney served as Deputy Chief Investment Officer for Liberty Ridge Capital. In that capacity, he was responsible for facilitating projects related to the investment process including the revamping the investment models and universe screening tools. He also assisted the Chief Investment Officer in managing the daily operations of the investment management department. Additionally Rick served as Risk Officer, overseeing the implementation of risk management techniques and systems. He was also responsible for product development and product management at the firm for both institutional and retail offerings.

Prior to joining Liberty Ridge Capital, Mr. Tomney was vice president in the Corporate Product Development Group at Putnam Investments. Rick also held other senior product positions at United Asset Management Corporation and Fidelity Investments.

Mr. Tomney received a BS and an MBA in finance and marketing from Boston College.

Deb Deskavich – Senior Vice President, Head of Operations & Chief Compliance Officer

Ms. Deskavich joined F-Squared in June, 2009. Before joining F-Squared she was Controller at LightLife Foods, a division of ConAgra Foods where she had responsibility for all financial activities as well as overall operations of the business. Prior to LightLife Ms. Deskavich spent 14 years at Fidelity Investments where she held a series of senior positions covering the financial management, strategic planning, and operations. Her experience at Fidelity covered brokerage, investment management, retirement services, venture, and global business lines. Prior to joining Fidelity, Ms. Deskavich spent 9 years at Data General Corporation in their Finance department.

Ms. Deskavich is a Certified Financial Planner, and has received an APC in International Business degree from Northeastern University, an MBA in Finance and a BS in Economics from the University of Massachusetts, Amherst.

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Item 7.A and 7.B: Other Business Activities

F-Squared is primarily engaged in providing investment advisory services. However, its wholly owned subsidiary, Active Index Solutions, LLC, is in the business of creating and licensing indexes. The AlphaSector and AlphaCycle Indexes are part of the Active Index Solutions portfolio of indexes.

Item 9.E: Participation or Interest in Client Transactions

F-Squared has a range of Model Portfolios it makes available to investors as SMAs, IMAs, or Institutional Separate Accounts. F-Squared will typically have either corporate assets or assets of senior management invested in these Models on a parallel basis to that managed for clients.

F-Squared acts as adviser to other clients and may publish or give advice and take action with respect to any other client, which may differ from the timing or nature of action taken with respect to the SMAs, IMAs, or Institutional Separate Accounts ("Investment Accounts"). F-Squared will not have any obligation to recommend for purchase or sale by Investment Accounts, any securities which F-Squared, its principals, affiliates or employees may purchase or sell for any other client or themselves if, in their reasonable opinion, such transaction appears inadvisable for the Investment Account.

Item 9: Participation or Interest in Client Transactions

F-Squared has adopted a Code of Ethics ("Code of Ethics") that sets forth the high standard of conduct expected of our firm's personnel. In keeping with the fiduciary principles that arise in the advisory relationship, the Code of Ethics requires the submission of periodic reports detailing the personnel's securities holdings and transactions (subject to several exemptions contained in the rules), and requires pre-approval for certain securities transactions by personnel, including purchases and sales of reportable securities, investments in initial public offerings and private placements. The Code of Ethics explicitly requires personnel to promptly report violations of the Code to the Chief Compliance Officer. A copy of the Code of Ethics is available free of charge, upon request.

Item 10: Conditions for Managing Accounts

There are minimums for accounts, varying by account type. Please see section 1.D. in this Schedule F for information on minimums by account type.

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Item 11.A: Review of Accounts

Pursuant to the terms of Advisory Agreements, each client account is reviewed on an ongoing basis, including at the time of any purchase or sale of securities, upon implementing any rebalancing of Model Portfolios, and quarterly upon receipt of the quarter end monthly statement of the brokerage account for the client account. An annual review of all accounts also occurs.

Item 11.B: Review of Accounts

The securities broker-dealer, through whom a client's transactions are executed, will send in electronic format a confirmation to the client for each transaction, although this confirmation may be suppressed by client election. The broker-dealer also sends the client in electronic format a quarterly statement of the account showing all transactions during the quarter and the quarter-end position. Finally, the broker-dealer also sends to the client an annual summary including all appropriate information for tax reporting. This annual reporting is also done in electronic format.

Item 12.A: Investment or Brokerage Discretion

F-Squared may be limited by the investment advisory agreement with a client as to the amounts and types of investments which may be made for an account, as well as for constraints such as individual security restrictions or other customization requirements. Tax management guidelines will also be observed in all accounts. F-Squared implements its investment services through Model Portfolios, adjusted for client requirements of customization and tax management considerations. Absent any such limitation, F-Squared has full investment discretion.

In those situations where we have discretion, F-Squared's policy is to seek the most favorable combination of price and execution for client portfolio transactions. Typically we negotiate these contracts in advance. In many circumstances F-Squared has been able to negotiate brokerage commissions, custodial fees, and account minimums that are substantially below that commonly found in the industry. Our Individually Managed Account (IMA), for example, has investment minimums at \$15,000 versus industry norms of \$100,000 and account fees that we believe are 45% or more below traditional fees in the industry. (See 1.D. in Schedule F for more information.)

The value of research services furnished to F-Squared by a particular broker-dealer can NEVER be a factor because F-Squared has a strict policy to NOT accept any such services.

For institutional clients and certain advisor-sold relationships F-Squared will allow the client to designate broker-dealers and custodians. In these cases, the specific cost and commission arrangements will be determined by those clients, and may be more expensive than the arrangements that F-Squared may have been able to establish.

Schedule F of Form ADV Continuation Sheet for Form ADV Part II	Applicant: F-Squared Investments, Inc.	SEC File Number: 801-69028	Date: July 27, 2010
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: F-Squared Investments, Inc.		IRA Empl. Ident. No.: 83-0470194
Item of Form (Identify)	Answer	

Item 12.B: Investment or Brokerage Discretion

F-Squared's policy is to seek the most favorable combination of price and execution for client portfolio transactions. In many circumstances F-Squared has been able to negotiate brokerage commissions, custodial fees, and account minimums that are substantially below that commonly found in the industry. Our Individually Managed Account (IMA), for example, has investment minimums at \$15,000 versus industry norms of \$100,000 and account fees that we believe are 45% or more below traditional fees in the industry. (See 1.D. in Schedule F for more information.)

For institutional clients and certain advisor-sold relationships F-Squared will allow the client to designate broker dealers and custodians. In these cases, the specific cost and commission arrangements will be determined by those clients, and may be more expensive than the arrangements that F-Squared may have been able to establish.

Item 13.B: Additional Compensation

F-Squared on occasion has entered into third-party marketing agreements with individuals or firms whereby they assist the firm in generating client referrals or sales. In such cases, the fee is only payable provided the client has full disclosure of the arrangement and consents in writing in accordance with cash solicitation rules and applicable provisions of the Investment Advisors Act of 1940. Such referral fees can be one-time fees paid during the first year of the relationship with a client, they can be ongoing fees over a specific time period, or the fees might be payable over the entire term of the relationship between F-Squared and the client.