



FOR IMMEDIATE RELEASE

INDEXIQ ADDS TWO INDUSTRY VETERANS TO ITS DISTRIBUTION TEAM

Leading developer of index-based alternative investment solutions continues expansion with addition of Kevin DiSano and Andrew Cook as Vice Presidents and Regional Directors

NEW YORK, (May 18, 2009) – IndexIQ, a leading developer of index-based alternative investment solutions, continues to build out its distribution team with the addition of Kevin D. DiSano and Andrew M. Cook, as Vice Presidents and regional directors, it was announced today.

Both DiSano and Cook are long-time industry veterans, with extensive experience in marketing alternative investment products. DiSano joins IndexIQ from Lazard Asset Management, where he was Senior Vice President in the Capital Advisory Group, responsible for marketing hedge funds, separately managed accounts, and other financial products to independent financial advisors, family offices, foundations and endowments, and other institutions. Before that, he was Vice President, Intermediary Sales at Man Investments. DiSano has more than 17 years of experience in the financial services industry, and will be responsible for overseeing IndexIQ's sales efforts in the Midwest region. He holds a Bachelor of Science in Speech Communication, Psychology and Business from the University of Minnesota.

Cook brings more than 16 years of investment industry experience to IndexIQ. Most recently, he was with The Charles Schwab Company, where he was Vice President, Regional Director & New Business Manager, responsible for sales to the Registered Investment Advisor (RIA) channel. Before that, he was with Schwab Institutional as an RIA Institutional Relationship Manager. Cook received his Bachelor of Arts in Economics from Boston College. At IndexIQ, he will be responsible for the Eastern region of the US.

“Kevin and Andrew both bring significant experience with alternative investment products to the sales and distribution organization here at IndexIQ and will allow us to significantly expand awareness of the IndexIQ family of products with advisors, family offices,

and institutions,” said Anthony B. Davidow, Executive Vice President and Head of Distribution at IndexIQ. “We look forward to having them on board.”

IndexIQ is the sponsor of the IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI), the first-ever U.S.-listed hedge fund replication Exchange-Traded Fund (ETF), and the IQ ALPHA Hedge Strategy Fund, the first no-load, open-end mutual fund to bring hedge fund style investing to retail investors. IndexIQ products are designed to be liquid, transparent,* tax-efficient, and accessible to a broad range of investors.

*IndexIQ’s ETF holdings are available daily on IndexIQ’s website.

Investment Strategy and Operating History

The IQ ALPHA Hedge Strategy Fund (IQ Fund) and the IQ Hedge Multi-Strategy Tracker ETF (IQ ETF) are not hedge funds and do not invest in hedge funds. The IQ Fund is a registered open-end mutual fund that invests in exchange-traded funds (ETFs) and similar securities in an attempt to replicate the performance characteristics of certain hedge fund investing styles, but with less cost, more liquidity, and greater portfolio transparency than traditional hedge funds. The Funds are new, with limited historical performance data. There can be no assurance that the Funds’ investment strategies will be successful. The Funds are not suitable for some investors.

Risks of the IQ Fund

Investors are reminded that all investing involves risk, including possible loss of principal. *The IQ Fund should be considered a high-risk investment due to its use of leverage, short-selling and derivatives, all of which may amplify the volatility of the Fund's share price. Accordingly, the IQ Fund should not be considered a complete investment program, nor suitable for all investors.* Investors should read the Funds’ prospectuses carefully for a more complete description of the Funds’ risks.

Charges and Expenses of the IQ Fund

While it is a no-load fund, other fees and charges do apply to an investment in the IQ Fund. An investor in the IQ Fund will bear the operating expenses of the underlying ETFs and related securities in which the Fund invests. The IQ Fund’s total annual operating expenses are estimated to be 1.64% for Investor Class and 1.39% for Institutional Class.¹ The IQ Fund will also assess a 2.00% redemption fee on shares redeemed within 7 days of purchase.

¹These figures are after fee waivers and expense reimbursements by the IQ Fund’s investment adviser and include the operating expenses of underlying ETFs and similar securities. The investment adviser has contractually agreed to waive fees or reimburse expenses so that the IQ Fund's total annual operating expenses do not exceed 1.15%, not including distribution fees, underlying ETF expenses, and certain other expenses. The expense limitation ends on April 30, 2010, at which time the limitation may be renewed, terminated or revised. Without the expense limitation, the IQ Fund’s total annual operating expenses are estimated to be 1.95% for Investor Class and 1.70% for Institutional Class.

Risks of the IQ ETF

The IQ ETF's investment performance, because it is a fund of funds, depends on the investment performance of the underlying ETFs in which it invests. There is no guarantee that the IQ ETF itself, or each of the ETFs in the Fund's portfolio, will perform exactly as its underlying index. The IQ ETF is non-diversified and is susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The IQ ETF's underlying ETFs invest in: foreign securities, which subject them to risk of loss not typically associated with domestic markets, such as currency fluctuations and political uncertainty; commodities markets, which subject them to greater volatility than investments in traditional securities, such as stocks and bonds; and fixed income securities, which subject them to credit risk – the possibility that the issuer of a security will be unable to make interest payments and/or repay the principal on its debt – and interest rate risk – changes in the value of a fixed-income security resulting from changes in interest rates. Leverage, including borrowing, will cause some of the IQ ETF's underlying ETFs to be more volatile than if the underlying ETFs had not been leveraged.

About IndexIQ

Based in Rye Brook, New York, IndexIQ is a leading developer of index-based alternative investment solutions that combine the benefits of traditional index investing with the risk-adjusted return potential sought by the best active managers. The company's philosophy is to democratize investment management by making institutional class investment strategies available to all investors in low cost, liquid, transparent and tax-efficient products. IndexIQ strategies are marketed through the company's proprietary investment products and select partnerships with leading global financial institutions. Additional information about the company and its products can be found at www.indexiq.com.

Consider the Funds' investment objectives, risks, charges and expenses carefully before investing. A prospectus with this and other information about the Funds may be obtained by visiting www.indexiq.com or by calling (888) 934-0777. Read the prospectus carefully before investing.

The IQ Fund is distributed by PFPC Distributors, Inc. (PFPC). The IQ ETF is distributed by ALPS Distributors, Inc. (ALPS), which is not affiliated with PFPC or IndexIQ or the IQ ALPHA Hedge Strategy Fund's investment advisor. Anthony Davidow and Andrew Cook are registered representatives of ALPS.

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