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(54) Title: SELF-HEDGING MULTI-LAYERED INVESTMENT SYSTEM AND METHOD USING INTERNAL CONTRACTUAL RELATIONSHIPS

(57) Abstract: Proxy assets providing risk management capabilities are described, such as liquid interests in illiquid assets and economic indicators, without the deficiencies associated with other types of financial instruments. A proxy assets set is defined to respond to one or more indices. Each proxy asset may have a share value and a number of shares. The proxy assets can have a proxy assets set account value equal to a sum over all proxy assets of the products of the share value and the number of shares. At least one proxy asset account value per share is a function of an index. Two or more trusts including an Up-Holding trust and a Down-holding trust may hold various of the proxy assets.