$$Hedging\ set\ amount$$

$$= \left[\left(\rho * \sum_{k=1}^{K} AddOn\left(Type_k\right)\right)^2 + (1 - (\rho)^2)\right.$$

$$\left. * \sum_{k=1}^{K} \left(AddOn\left(Type_k\right)\right)^2\right]^{\frac{1}{2}}$$