



News Release

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MANAGED FUNDS ASSOCIATION HOSTS FORUM WITH MR. TONY LOMAS, ADMINISTRATOR, LEHMAN BROTHERS INTERNATIONAL EUROPE (LBIE) INSOLVENCY

WASHINGTON, DC – Managed Funds Association (MFA) yesterday hosted, in conjunction with Schulte Roth & Zabel LLP, a discussion and Q&A session with Mr. Tony Lomas, one of the administrators of Lehman Brothers International Europe (LBIE). During a trip last week to England, MFA invited Mr. Lomas, a partner at PricewaterhouseCoopers (PwC), to come to the U.S. to meet with MFA members, and others, regarding the LBIE administrators' efforts to return an estimated \$40-70 billion in client assets frozen in the UK as the result of the insolvency of Lehman Brothers, Inc. At that meeting, MFA urged the consideration of options to expedite the bankruptcy resolution process. MFA also encouraged Mr. Lomas to take steps to improve communication and provide greater transparency to the LBIE administration process. While in the UK, MFA also met with representatives from the FSA and Treasury to discuss the administration of LBIE and its impact on the UK prime brokerage industry and global financial markets.

Richard H. Baker, MFA President and CEO said, "We are grateful that Tony accepted our invitation to come to New York to address the concerns and questions so many of our members have regarding the administration of LBIE. We believe his visit is indicative of an overall commitment to reduce uncertainty, and we appreciate his willingness to listen to our concerns and recommendations toward an efficient resolution to this problem."

Mr. Lomas said, "I welcomed the opportunity to come to the U.S. to discuss these important issues. I recognize that there has been considerable confusion and frustration for some regarding the UK's administration process. My visit was intended to assure MFA members that we are committed to hearing their views, responding to their inquiries, and ensuring that the administration process is well-informed and moving as expeditiously as possible under our legal authority."

On October 13, MFA sent a letter to the Bank of England urging intervention to expedite the release of billions of dollars in assets frozen in the UK as the result of the insolvency of Lehman Brothers, Inc. MFA's letter offered recommendations for an expedited administration process that would reduce systemic risk, inject much-needed liquidity and financial stability into capital markets and promote the ongoing viability of the UK's prime brokerage industry. In its letter, which can be found at www.managedfunds.org/latest-developments.asp, MFA encouraged the Lehman administrator, PwC, to take immediate action to reduce the uncertainty and mitigate systemic risk by distributing these assets in an expedited manner.

About Managed Funds Association

MFA is the voice of the global alternative investment industry. Its members are professionals in hedge funds, funds of funds and managed futures funds, as well as industry service providers. Established in 1991, MFA is the primary source of information for policy makers and the media and the leading advocate for sound business practices and industry growth. MFA members include the vast majority of the largest hedge fund groups in the world who manage a substantial portion of the approximately \$2 trillion invested in absolute return strategies. MFA is headquartered in Washington, D.C., with an office in New York. For more information, please visit: www.managedfunds.org.

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