



News Release

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MANAGED FUNDS ASSOCIATION JOINS MAJOR DEALERS IN COMMITMENTS TO REGULATORS ACROSS FINANCIAL PRODUCTS Operations Management Group Sets New Goals and Expands Efforts

WASHINGTON, D.C. July 31, 2008 --- Managed Funds Association (MFA) today announced that it is joining the 17 major derivatives dealers (the “Major Dealers”) as a signatory to a letter to global regulators that develops new commitments to improve operational efficiency across OTC derivatives, as well as commodities and foreign exchange markets and collateral management.

Today’s letter represents both a reaffirmation of continued cooperation between both the buy-side and sell-side and a substantial increase in commitments designed to improve market discipline and efficiency through the use of electronic platforms. MFA first joined the Major Dealers as a signatory to a letter to industry regulators detailing operational targets and commitments in March 2008. The International Swaps and Derivatives Association, Inc. (ISDA) and the Asset Management Group of the Securities Industry and Financial Markets Association (SIFMA) also joined MFA and the Major Dealers in signing the March letter. On June 9, 2008, MFA and other members of the Operations Management Group (comprised of senior representatives from the Major Dealers, MFA, ISDA and SIFMA and several buy-side institutions) met with U.S. and international industry regulators to review commitments and progress.

Richard H. Baker, MFA President and CEO, said, “MFA is pleased to have a major role in advancing the latest industry strategy and commitments to reach these important industry goals. We reaffirm our commitment to working closely with the Major Dealers, ISDA and SIFMA, and we are pleased to expand these important operational goals and provide detailed commitments that reach beyond previous objectives. MFA fully endorses the collaborative efforts to promote sound practices and efficiency and pledges to actively work with our constituents and other market participants to educate the marketplace on the goals outlined in today’s letter.”

MFA began working with the dealer community in early 2005 to develop ways to improve processing practices for new trades and novations in the credit derivatives market. Collaborative efforts with the Major Dealers, ISDA and its member firms, and SIFMA led to initiatives that resulted in substantial reductions in backlogs of trade confirmations for credit derivatives.

In furtherance of the commitments outlined in the March letter, MFA, ISDA and SIFMA jointly developed and delivered an implementation plan to help educate and inform the buy-side of the credit derivative processing goals. Since the completion of the implementation plan in late May 2008, MFA, ISDA and SIFMA have held a series of well-attended educational events for the buy-side in New York and London.

MFA is dedicated to continuing its collaboration with ISDA, SIFMA, the Major Dealers and service providers to prioritize future standardization efforts across OTC derivatives and other financial products.

About Managed Funds Association

MFA is the voice of the global alternative investment industry. Its members include professionals in hedge funds, funds of funds and managed futures funds. 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 represent 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, N.Y. For more information please visit: www.managedfunds.org.

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