



News Release

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MANAGED FUNDS ASSOCIATION SUPPORTS PWG INITIATIVES TO STRENGTHEN OTC DERIVATIVES OVERSIGHT AND INFRASTRUCTURE

WASHINGTON, DC – Managed Funds Association (MFA) expressed its support for the announcement made today by the U.S. President’s Working Group on Financial Markets (PWG) regarding measures intended to strengthen the oversight and infrastructure of the over-the-counter derivatives markets. The announcement included the development of CDS central counterparties, some of which will commence operations before the end of 2008 and the signing of a Memorandum of Understanding among the Board of Governors of the Federal Reserve System, the CFTC and the SEC. As part of the MOU, the regulators agree to cooperate, coordinate and share information regarding the establishment of CDS central counterparties.

Richard H. Baker, MFA President and CEO said, “MFA applauds the commitment and cooperative efforts of market regulators to take proactive steps to improve transparency, enhance risk management, and further strengthen the infrastructure of the OTC derivatives markets. MFA believes healthy, well functioning and transparent OTC markets are critical to restoring stability and confidence to our markets. We commend the PWG for these important actions.”

MFA has been actively engaged with regulators in developing a CDS central counterparty and has advocated on behalf of its members as to the current deficiencies in the OTC derivatives markets and ways in which a CDS central counterparty could improve market stability.

MFA fully endorses all collaborative efforts to promote sound practices and pledges its cooperation with the PWG and market regulators toward the construction of CDS central counterparties and additional operational improvements designed to enhance the integrity of these vital markets.

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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