



FOR IMMEDIATE RELEASE

MERLIN SECURITIES EXPANDS INTO CANADA

Daniel Dorenbush, Former RBC Managing Director, Tapped as CEO of Merlin Canada

*Merlin Clients Now Have Access to National Bank Correspondent Network
for Custody and Clearing*

New York – NOVEMBER 10, 2010 – Merlin Securities, a leading prime brokerage services and technology solutions provider, today announced that it has launched operations in Canada after receiving approval from the Investment Industry Regulatory Organization of Canada (IIROC) to operate as a Dealer Member. Daniel Dorenbush has been appointed CEO of Merlin Canada Ltd.

Merlin Canada will offer custody and clearing through the National Bank Correspondent Network (NBCN), a subsidiary of National Bank Financial, in addition to Merlin's current roster of U.S. clearing and custodial options.

"We are delighted to have Daniel on board and to be working with NBCN, the Canadian leader in third-party and brokerage services," said Aaron Vermut, co-founder and COO of Merlin and chairman of Merlin Canada Ltd. "As the first and only introducing prime brokerage services company in Canada we see a significant opportunity both for Merlin and for Canadian managers. We have more than 500 hedge fund clients in the U.S. and one priority – to provide the technology and services that enable our clients grow to their businesses. We look forward to bringing our innovative product suite to Canadian hedge funds."

As CEO, Dorenbush will be responsible for introducing prime brokerage services and technology solutions to Canadian alternative investment managers. Merlin intends to bring its industry leading proprietary portfolio reporting, trading, and technology solutions to this new marketplace.

"The Canadian prime brokerage landscape is very different from that of the United States," said Dorenbush. "Apart from the largest Canadian banks, there are no significant competitors in Canada and certainly none who offer Merlin's combination of cutting-edge technology, trading execution, capital introduction and custody solutions. In this way, Merlin's entry into the market is a potential game-changer. I'm truly excited about the opportunity to provide Canadian managers with the same tools and competitive advantages that Merlin's U.S. clients have."

Daniel Dorenbush was most recently a New York-based managing director and global head of strategic sales and relationship management in the Hedge Fund Services division at RBC Capital Markets. Prior to this he was based in Toronto as RBC's global head of prime brokerage.

Dorenbush is a CFA Charterholder and received his M.B.A. from McGill University and his H.BA from the University of Toronto.

“Merlin Securities is an acknowledged leader in its domain and we are very pleased to contribute actively to its future success,” said David Burnes, executive vice-president and chief operating officer of NBCN. “This decision further establishes NBCN as the leading provider within the Canadian clearing marketplace. NBCN’s flexible service model and national footprint work well with Merlin Securities’ business model and future growth plans.”

Dorenbush is based in Merlin’s Bay Street office in Toronto. Merlin Canada Ltd. is a wholly owned subsidiary of Merlin Securities, LLC.

About Merlin Securities

Merlin is a leading prime brokerage services and technology provider, offering integrated solutions to the alternative investment industry. The firm serves more than 500 single- and multi-primed managers, providing them with a broad suite of solutions including dynamic performance attribution analytics and reporting, seamless multi-custody services, capital development, 24-hour international trading, securities lending experts and institutional brokerage. With offices in New York, San Francisco, Boston, Chicago, San Diego and Toronto, Merlin utilizes the custodial and clearing operations of JP Morgan, Goldman Sachs, Northern Trust and National Bank of Canada. Merlin is a member of FINRA and SIPC. For more information, please visit www.merlinsecurities.com.

About NBCN

Founded in 1990, NBCN is the first and largest supplier of third-party administrative and support services to the Canadian financial services industry. NBCN administers over \$50 billion on behalf of more than 100 Canadian financial services firms, including more than 65 IIROC-licensed firms like Merlin Securities, ranging from small boutiques, financial planners and investment counsellors, to large integrated companies. www.nbcn.ca

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