

Contact: John Quartararo

October 23, 2007

Phone: 212-822-4825

Merlin Securities Receives Top 2007 Alpha Magazine Award: Voted #1 Prime Broker by Hedge Funds with Less than \$1 billion in Assets

SAN FRANCISCO, October 23, 2007 – Merlin Securities was voted the #1 prime broker by hedge funds with less than \$1 billion in assets and named winner of Alpha Magazine’s 2007 Small Firms’ Favorites Award, it was announced today. It was the first time that three-year-old Merlin Securities has been included in magazine’s annual survey of top hedge fund providers. Almost 1,000 hedge funds, which manage an estimated \$1.4 trillion in assets, voted for 2007 Alpha Award winners.

“We are absolutely delighted to be voted the Small Firms’ Favorite Prime Broker, especially since small is defined as hedge funds with less than \$1 billion in assets,” said Steve Vermut, Merlin’s founder and managing partner and former founder and CEO of Montgomery Securities/Banc of America Securities Prime Brokerage. “I am very proud of our team and the tremendous job they are doing for our clients. I am also pleased that our innovative technology is beginning to be recognized by the industry.”

Earlier this year, Merlin’s unique performance attribution and reporting systems were cited as key reasons the firm received three of the top honors in the Global Custodian magazine’s 2007 Prime Brokerage Survey: #1 Prime Broker in North America, #1 Prime Broker for Single Strategy Funds and #1 Prime Broker for Funds Less Than \$100 Million. The systems enable hedge funds to instantly determine where their performance is coming from – by portfolio, strategy, asset class, sector, portfolio manager, analyst, trader or any other criteria they believe is significant, on a daily, weekly, monthly, annual or since-inception basis.

In the Alpha Magazine voting, the five top prime brokers in the Small Firms’ Favorites category were:

Small Firm Rank	Overall Rank	Firm
1	—	Merlin Securities
2	1	Morgan Stanley
3	2	Goldman, Sachs & Co.
4	5	Credit Suisse
5	3	Bank of America Securities

Source: Alpha Magazine, Alpha Awards 2007