



FOR IMMEDIATE RELEASE

MERLIN SECURITIES LAUNCHES TWO INDUSTRY-LEADING REPORTING INNOVATIONS FOR CLIENTS

Non U.S. Dollar-Based Currency Reporting Gives Clients Flexibility to Report in Any Currency

Enhanced Start-of-Day Information Provides Clients with a Clear Understanding of Positions Before the Trading Day Starts, Not After

SAN FRANCISCO – JUNE 8, 2010 – Merlin Securities, a leading prime brokerage services and technology provider for hedge funds, today announced that it has launched two groundbreaking technology solutions:

- First, Merlin’s clients now have the option of reporting in any base portfolio currency, not just U.S. dollars.
- Second, Merlin now provides enhanced start-of-day positions following specific corporate actions that affect a client’s portfolio, allowing for more timely, efficient and informed decision-making.

Non-USD-Based Currency Reporting

Merlin has expanded its reporting and analytics platform to support non-USD-based currency reporting. This functionality will allow a fund with multiple accounts the flexibility to have different base reporting currencies for each. For example, a fund with a separately managed account belonging to an investor in Switzerland can now show that account owner his or her positions and performance in Euros even though the rest of the fund’s holdings are reporting with U.S. dollars as the base currency.

As a complement to this offering, Merlin continues to expand and build its international staff and trading capabilities to support markets in Europe, Asia, Canada and South America.

“As fund managers continue to seek both investment returns and investors outside the United States and in emerging markets, having a robust and localized reporting platform is essential,” stated Amr Mohamed, senior partner and chief technology officer at Merlin. “The changes to our reporting functionality open Merlin up to funds not based in the United States and further improve our clients’ ability to service new markets of investors. Merlin has always distinguished itself in terms of the depth and breadth of our technology and reporting platform. This enhancement allows us and our clients to be differentiated in the global marketplace.”

Enhanced Start-of-Day Positions for Corporate Actions

Merlin has also augmented its reporting platform to provide enhanced start-of-day positions following corporate actions (such as stock splits, name changes, tender offers, mergers, etc.), which will allow clients to truly understand their starting positions for the trading day before it begins. The enhanced positions are fed to Merlin Compass, which is the firm's real-time profit and loss (P&L) application, and to all of the different trading platforms Merlin supports.

Up until now, corporate actions which affect a portfolio's current positions are not reflected until the end of the day on their effective date by prime brokers due to nuances in the way reports and positions are generated. This delay can cause trading errors based on inaccurate and noncurrent information. Merlin has innovated its process to incorporate these changes at the start of the day. By accounting for these market-related adjustments in a fund's trading and real-time P&L systems prior to the open, Merlin allows managers to focus their efforts on making investment decisions rather than adjusting for inaccurate positions—or worse, looking for mistakes in their position reports.

Mohamed concluded: “The thinking behind both of the innovations is to continue to provide our clients with solutions that optimize their business efficiency and work flow and that maximize potential returns. The market-leading technology we have developed is a significant value-add and has been the real driver of our growth from day one. We strive to anticipate the needs of our clients in an ever-changing and competitive landscape and to leverage technology to meet those needs.”

About Merlin Securities

Founded in 2004, Merlin is a leading prime brokerage services and technology provider for hedge funds. The firm serves more than 450 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 and access to the Gerson Lehrman Group's worldwide network of experts. Merlin is a member of FINRA and SIPC. For more information, please visit www.merlinsecurities.com.

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