



Alternative Investment Management Association

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AIMA LAUNCHES MAJOR TRANSPARENCY INITIATIVE

London, 24th February 2009: The Alternative Investment Management Association ("AIMA"), the trade body for the global hedge fund industry, has announced a major new transparency initiative. AIMA says that it will support the principle of full transparency and supervisory disclosure of systemically significant positions and risk exposures by hedge fund managers to their national regulators (the regulator of the jurisdiction in which the manager is authorised and registered to operate).

The initiative is one of a series of policy positions in the association's new platform. Other key new strands of the platform include an aggregated short position disclosure regime to national regulators, support for new policies to reduce settlement failure (including in the area of naked short selling), and a global manager-authorisation and supervision template based on the model of the UK's FSA and a call for unified global standards for the industry.

AIMA's members manage more than 75% of hedge fund assets globally and the association has over 1,200 member firms in 43 countries. Members include leading hedge fund managers, fund of hedge funds managers, prime brokers, legal and accounting firms and fund administrators.

The association is representing the global hedge fund industry in on-going international discussions about the future regulatory framework for the industry, notably with the organisations tasked by the G-20 to address the issue, such as IOSCO and the Financial Stability Forum. AIMA supports these efforts to achieve global consensus, and is providing active cooperation and leadership on behalf of the industry. It is also working closely with leading national regulators regarding the supervision of hedge fund managers.

The policies in AIMA's new platform are:

- 1) Regular reporting and increased transparency of systemically significant positions and risk exposures by managers of large hedge funds to their national regulators (the regulator of the jurisdiction in which the manager is authorised and registered to operate).
- 2) An aggregated short position disclosure regime to national regulators
- 3) Support for new policies to reduce settlement failure (including in the area of naked short selling)
- 4) Support for a global manager-authorisation and supervision template based on the UK's FSA model



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- 5) A call for unified global standards for the industry based on the convergence of existing industry standards work, such as that authored by AIMA, HFSB, IOSCO, PWG and MFA

Andrew Baker, Chief Executive of AIMA, said, "We want to dispel once and for all this misconception that the hedge fund industry is opaque and uncooperative. That's why we are declaring our support for the principle of full transparency of systemically significant positions and risk exposures by hedge fund managers to their national regulators through a regular reporting framework. We are confident that our members recognise that it is in everyone's best interests if we cooperate fully in the important on-going international efforts to examine and improve the supervisory framework of the future."

- Ends -

For media enquiries, please contact Christen Thomson, AIMA Director of Communications, on +44 (0)2078228380; email - cthomson@aima.org

Editors' Notes:

HFSB - Hedge Fund Standards Board

IOSCO - International Organization of Securities Commissions

PWG - President's Working Group on Financial Markets

MFA - Managed Funds Association

About AIMA

As the only truly representative global hedge fund association, AIMA, the Alternative Investment Management Association, has over 1,200 corporate members worldwide, based in 43 countries.

Members include leading hedge fund managers, fund of hedge funds managers, prime brokers, legal and accounting firms and fund administrators. They all benefit from AIMA's active influence in policy development, its leadership in industry initiatives, including education and sound practice manuals and its excellent reputation with regulators worldwide.

AIMA is a dynamic organisation that reflects its members' interests and provides them with a vibrant global network. AIMA is committed to developing industry skills and education standards and is a co-founder of the Chartered Alternative Investment Analyst designation (CAIA) - the industry's first and only specialised educational standard for alternative investment specialists. For further information, please visit AIMA's website, www.aima.org.

The Hedge Fund Matrix

The Hedge Fund Matrix is a joint initiative of AIMA, HFSB, IOSCO, MFA and the Asset Managers' Committee of the US PWG. Its primary objective is to offer a first step towards harmonisation of existing hedge fund industry sound practices to all stakeholders - specifically hedge fund industry practitioners, institutional investors, policy makers and regulatory authorities.



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The Hedge Fund Matrix is a user-friendly, online resource that brings together the sound practice guides of the host organisations. It provides the user with the means to compare the core principles throughout the various guides as well as to drill down to the guidance for each. The Hedge Fund Matrix is available at www.hedgefundmatrix.com.