

**PRIVATE FUNDS  
AND  
CAPITAL MARKETS BULLETIN**

July 16, 2008

**U.S. SECURITIES AND EXCHANGE COMMISSION  
ISSUES EMERGENCY ORDER AFFECTING SHORT  
SALES OF FANNIE MAE, FREDDIE MAC, AND  
SPECIFIED BANK SECURITIES**

On July 15, 2008, the U.S. Securities and Exchange Commission (the "SEC") issued an emergency order designed to curtail so-called "naked" short selling in the securities of Fannie Mae, Freddie Mac, and certain commercial and investment banks that are primary dealers of Fannie Mae and Freddie Mac securities. The order requires that anyone, including market makers in the securities, who sells these securities short must borrow or arrange to borrow the securities prior to executing the short sale and must deliver them at settlement. Securities of the following issuers are covered by the emergency order:

Fannie Mae (FNM)  
Freddie Mac (FRE)  
BNP Paribas Securities Corp. (BNPQF; BNPQY)  
Bank of America Corporation (BAC)  
Barclays plc (BCS)  
Citigroup Inc. (C)  
Credit Suisse Group (CS)  
Daiwa Securities Group (DSECY)  
Deutsche Bank Group AG (DB)  
Allianz SE (AZ)  
Goldman, Sachs Group Inc (GS)  
Royal Bank ADS (RBS)  
HSBC Holding PLC ADS (HBC; HSI)  
J.P. Morgan Chase & Co. (JPM)  
Lehman Brothers Holdings Inc. (LEH)  
Merrill Lynch & Co., Inc. (MER)  
Mizuho Financial Group, Inc. (MFG)  
Morgan Stanley (MS)  
UBS AG (UBS)

The emergency order will take effect at 12:01 a.m. on Monday July 21, 2008 and terminate at 11:59 p.m. on July 29, 2008, unless extended by the SEC. We recommend that you contact your securities broker concerning how the emergency order may affect their short sale execution and related stock loan/borrowing procedures.

The SEC's press release can be viewed on its website by accessing the following hyperlink:

<http://www.sec.gov/new/press/2008/2008-143.htm>

**IF YOU HAVE ANY QUESTIONS OR  
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