

Payden Exceeds US\$1.2 billion for Lloyd's Syndicates Platform Launch

London, July 2007 — Payden & Rygel Global Ltd., the privately owned specialist investment manager, today announced the launch of a new investment platform for Lloyd's of London syndicates with initial funding in excess of US\$1.2 billion.

Lloyd's syndicates maintain substantial pools of assets to support their underwriting business and those assets must be invested and managed within strictly controlled guidelines that are governed by regulators and Acts of Parliament or U.S. state law. Payden & Rygel has spent two years studying the guidelines, and the administrative and custodial processes of Lloyd's institutions and worked with a number of syndicates to develop an investment platform and process that seeks to consistently improve investment returns and reporting structures.

The ability to do this and the active management of assets depends on knowing the precise timing of claims, investment flows and funding on a "real time" basis. This must be coupled with faultless administration and fund management systems. Legacy systems provide only some of this information; thus, Payden & Rygel has built a capability to ensure that all available information is collected every day and accurately reflected on its in-house proprietary database. The second step, and a breakthrough for clients, is the ability to access that information online in a form that is readily accessible and easily understood with the flexibility for customization. Clients can now log onto a secure network and pull up a dedicated report, which is updated overnight, providing a clear description of how their portfolio is positioned and the status of money flows.

Payden & Rygel has added a number of features not available on other systems. Specifically, many processes that were either not available or were subject to manual input, have been made available and automated, eliminating manual inputting errors and time delays. These allow for such functions as trade tickets to be printed from the platform directly to the client or scanned directly to client records; the complete transfer of data automatically either by excel spread sheets or via direct downloads into a clients record base; and online availability of a "live" risk matrix by which the risk exposure of a portfolio can be monitored on a daily basis.

Alverne Bolitho, Principal of Payden & Rygel, and the Director responsible for developing the project, commented, "We knew there were opportunities to improve on managing pools of regulated funds for insurers. In the past, we had seen many inefficiencies such as lengthy time lags to accurately reconcile the contents of portfolios. This could lead to assets either being un-invested or earning very poor returns." Bolitho said that insurers have become increasingly concerned about the optimisation of investment pools. He indicated that even small improvements in return can have a disproportionate and positive effect on net revenues, an outcome that is widely sought in the industry.

Payden & Rygel

About Payden & Rygel Global Ltd.

Payden Global Ltd., was established in London in 1999, manages more than \$12 billion in a broad array of strategies in the equity and fixed income markets. The firm has experienced strong growth, serving institutional clients in the UK, Continental Europe and the Middle East. The firm's exclusive institutional client base includes banks, supranationals, government institutions, pension funds, insurers, foundations and public funds.

The firm is a wholly owned subsidiary of Payden & Rygel which is one of the worlds largest privately owned investment managers, with more than \$52 billion in assets under management and presence in London, Los Angeles, Frankfurt, Hong Kong and Tokyo.

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