



For Immediate Release

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PF2 ADVANCES CDO PORTFOLIO ANALYTICS SUITE Response in Preparation for Improved Accounting Disclosure

New York, NY (March 31, 2009) — PF2 Securities Evaluations, Inc., a New York company, is pleased to announce on this day, its one-year anniversary, that it will henceforth implement a wider range of security-level and portfolio-wide analytical tools for collateralized debt obligation (CDO) securities.

“In the midst of a demanding regulatory overhaul, our clients are becoming increasingly interested in disclosing additional model-driven and stress-testing outputs,” says Guillaume Fillebeen, a Director at PF2. “The benign, opaque, CDO market encourages level 3-type measurements in an inactive market and we’re seeing more and more of this, particularly on the OTTI side, by way of the recent FASB proposals.”

The twin products are designed to meet these needs:

- (1) The additional flexibility added to the CDO waterfall model allows the user to analyze, for example, how much cushion she has – from a default, prepayment or recovery perspective -- before tripping a test, suffering a principal loss, or even being completely wiped out.
- (2) The portfolio risk tool enables one to examine the combined risk for a portfolio of CDO tranches in a way not entirely dissimilar to a variance at risk-type measure (VaR). With this tool, a fund or company can measure its overall exposure or sensitivity to assumptions such as prepayment speeds, default rates and recovery rates, across its entire portfolio.

FASB Staff Positions (FSPs) FAS 157-e, FAS 115-a, FAS 124-a, and EITF 99-20-b are located at www.fasb.org.

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