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ARROWGRASS ADOPTS IMAGINE SOFTWARE'S RISK AND PORTFOLIO MANAGEMENT SERVICE

Major U.K. Hedge Fund Uses Imagine to Achieve Institutional-Grade Support

NEW YORK, October 8, 2008—Imagine Software, a leading provider of real-time portfolio and risk management solutions worldwide, today announced the implementation of its award-winning, Internet-based Derivatives.com service with London-based Arrowgrass Capital Partners LLP.

Formally launched in February 2008, Arrowgrass has more than US \$1.5 billion in assets under management and employs a global multi-strategy approach with emphasis on both relative value and event-driven sub-strategies. The firm implemented Imagine in its London and New York offices and, according to chief operating officer David Bateman, boasts 29 users that not only take full advantage of Imagine's portfolio and risk management capabilities, but also employ it as a booking system.

"From the time we first conceived our firm's launch," said Bateman, "our goal was to avoid the limitations of a spreadsheet-based system. We decided to implement an institutional-grade infrastructure that could support the instruments, products, and strategies we chose to utilize, plus provide the kind of robust P&L and risk controls, reporting capabilities, and easy system integration capabilities that will facilitate future growth."

"As a multi-strategy fund," Bateman continued, "Arrowgrass required a system that could handle a diversity of instruments including equities, fixed income, listed futures and options, various OTC derivatives, and exotics." By choosing Imagine, the product coverage and high-performance functionality the firm wanted was secured along with other important business advantages. "As you might expect," Bateman noted, "it's easy for us to add users because of Imagine's Internet-based service delivery model. But more important is the fact that Derivatives.com shatters the preconceived notion that an ASP service may indeed be convenient and economical, but inflexible in terms of customization."

Arrowgrass used Imagine's API tools and upload/download data services to effect tight integration with other third-party systems, bespoke in-house applications, and data vendors. "We have achieved a degree of STP," Bateman maintains, "in terms of access to specialized credit data, interacting with our internal accounting system, and automating reconciliations with multiple prime brokers—plus generating associated exception reports."

Bateman concluded: "We've realized our goal of institutional-grade infrastructure, and I'm pleased with Imagine's easy scalability and the depth of redundancy and reliability its ASP service affords us. And with Imagine's on-going business and technical expertise, Arrowgrass and its investors benefit from that level of performance and reliability at a fraction of the cost normally required to obtain it."

"We're very excited to work with a client that takes full advantage of the customization and integration capabilities we've built into our product," said Yvonne Dahl, Director of Sales and Marketing at Imagine, "and we're looking forward to supporting their future business expansion."

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About Imagine Software

Imagine Software is a leading provider of real-time investment management solutions worldwide. Its flagship product, the Imagine Trading System, is a cross-asset trading, portfolio, and risk management solution available as an enterprise application or as an on-demand, ASP-based platform at Derivatives.com. Developed for alternative investment companies of all sizes, Derivatives.com combines proven enterprise functionality with comprehensive data management and automates key business processing services.

Imagine Software serves thousands of users worldwide, ranging from major brokerage firms and banking institutions to hedge funds employing all major asset classes across any trading strategy. Imagine Software is one hundred percent owned by its four managing directors.

For more information, visit www.derivatives.com or contact us at 212-317-7600.

About Arrowgrass Capital Partners LLC

Arrowgrass Capital Partners was formed in 2007 as a spin-out from a proprietary trading unit at Deutsche Bank AG. The group currently employs more than forty people and has offices in London and New York.

Arrowgrass employs a global multi-strategy approach, with emphasis on both relative value and event-driven sub-strategies. A macro research team contributes to the capital allocation process. The combination of the broad range of investment strategies and the macro input allows for effective implementation of investment strategies throughout the entire economic cycle.

Arrowgrass puts emphasis on intellectual capital and consequently the team has a wide range of in-depth experience. The Arrowgrass team represents many different nationalities and benefits from expert local knowledge. Employing a non-siloed investment approach, Arrowgrass encourages an open culture across the business. This creates an entrepreneurial environment with a shared goal of success in the firm as a whole.