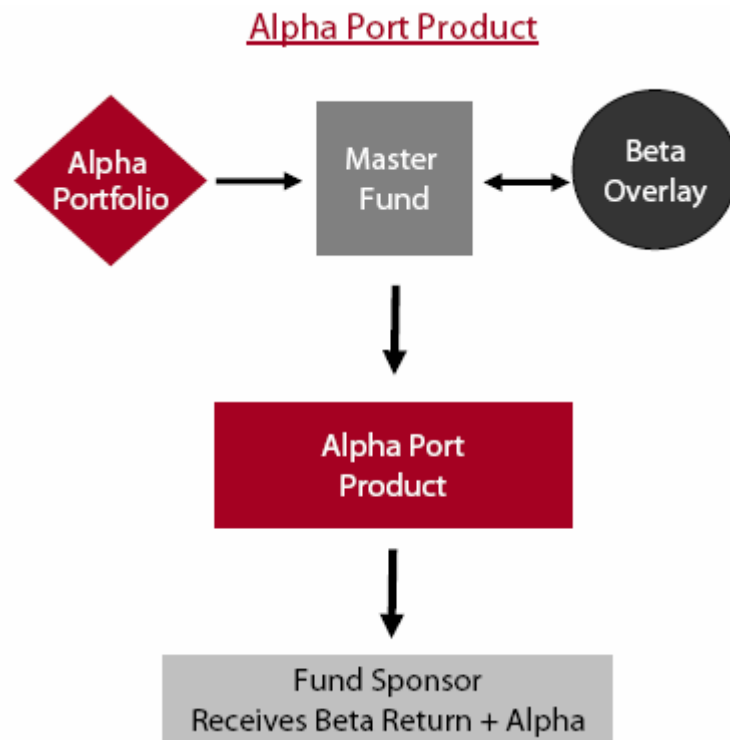


## Beta Exposure within Alpha Port Products

Given recent volatility in the markets and the Lehman Brothers bankruptcy filing, many derivatives users have become more concerned about counterparty credit risk and continuity in market exposure.

For entities that have swaps embedded in their alpha port product, certain scenarios defined in the ISDA documents might trigger a swap termination. These scenarios may include bankruptcy, a ratings downgrade, a decline in Net Asset Value, or a failure to post collateral in a timely manner.



If the recent market turmoil has generated the need to evaluate alternative approaches to maintaining synthetic market exposures, please contact The Clifton Group at 800-328-5009 or send an e-mail to [info@thecliftongroup.com](mailto:info@thecliftongroup.com).