WILLKIE FARR & GALLAGHER LLP

SEC ADOPTS RULE REQUIRING REGISTRATION OF HEDGE FUND ADVISERS

At a meeting held yesterday, the Securities and Exchange Commission (the "Commission"), by a three-to-two vote, approved its previously announced proposal to require most hedge fund managers to register as investment advisers under the Investment Advisers Act of 1940. The Commission indicated that although some modifications have been made, the final rule adopted yesterday is essentially the same as proposed in July. We will circulate an in-depth analysis when the text of the final rule is published. The Commission staff did indicate during the meeting that there would be a long transition period and the compliance date would be February 2006.

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