

WATERFALL ASSET MANAGEMENT AND DYAL CAPITAL PARTNERS ANNOUNCE TRANSFER OF MINORITY INTEREST

New York, July 10, 2013 – Waterfall Asset Management (“Waterfall”) and Dyal Capital Partners (“Dyal”) announced today that Dyal has agreed to acquire a passive minority interest in Waterfall from M.D. Sass-Macquarie Financial Strategies. Waterfall is a New York-based diversified alternative investment firm with approximately \$2.3 billion of assets under management.

Waterfall will continue to be led by its co-founders, Jack Ross and Tom Capasse, who will retain complete control over the firm’s business operations and investment process, and the transaction is structured to afford key Waterfall staff an increasing ownership stake in the company. Ross said: “We anticipate that our relationship with the Dyal team will only strengthen our ability to provide leading investment solutions in structured credit and loans to our clients.”

“We are thrilled to be partnering with such an experienced team, who for years have been industry leaders,” Michael Rees, Managing Director of Dyal Capital Partners, said. “We look forward to a long-term relationship of continued success.”

“We are pleased to have helped found Waterfall and that this seeded start-up investment by M.D. Sass-Macquarie Financial Strategies has been a successful one for our clients, partners and professional staff. We wish all parties continued success,” said Martin D. Sass, C.E.O. of M.D. Sass-Macquarie Financial Strategies.

The terms of the transaction were not disclosed.

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Notes to Editors:

Waterfall Asset Management LLC is a \$2.3 billion New York-based alternative investment firm that focuses on structured credit and whole loans. It is registered with the SEC as an investment adviser.

Dyal Capital Partners, a private equity fund managed by Neuberger Berman Group LLC, seeks to acquire minority equity interests in institutional hedge fund companies worldwide.

M.D. Sass-Macquarie Financial Partners, a private equity fund managed by M.D. Sass-Macquarie Financial Strategies, incubates control-oriented investments in hedge funds, private equity funds, and other investment firms.