



Model-Based Bond Portfolios Advance with New BondWave Release

LISLE, IL., February 7, 2008 – BondWave LLC (BondWave®) announces the release of version 2.0 of Program Portfolio Manager™, an application that allows broker-dealers to create and manage custom portfolios of individual bonds based on software-driven investment models. Notably, the new version includes additional functionality to support BondWave’s Index Targeted Models™, scheduled for availability in early 2008. Index Targeted Models will facilitate the creation of bond portfolios with a correlation and beta similar to municipal bond indices from a leading provider of fixed income benchmarks.

“BondWave continues to advance the position that individual bond investment can be a viable alternative to a larger market of retail investors,” said Russ Graham, BondWave’s president and CEO. “Our approach gives broker-dealers and advisors the ability to retain fixed income assets while providing their clients all the advantages of individual bond investment. BondWave simplifies bond investing with a scalable, automated process designed to support the strategic investment needs of each investor with model-based bond portfolios.”

“The new release of Program Portfolio Manager™ provides additional features allowing broker-dealers to more easily manage fixed income portfolios,” said Jonathan Volle, Senior Vice President of Product Development. “New enhancements include drill-down model and account demand summaries, automated bond allocation, advanced proposal scoring functions and a new series of inquiry capabilities built for the release of Index Targeted Models™. These enhancements further enable portfolio analysts and trading desks to support a large population of advisors and their clients with personal portfolio service.”

Program Portfolio Manager™ and Index Targeted Models™ are integral components of BondWave’s Fixed Income Investment Program™ (The Program), a unique process that enables broker-dealers to deliver custom portfolios of individual bonds – called Program Portfolios™ – that are assembled for each investor based on professional investment models. The Program includes proprietary technology and methodology that allows a broker-dealer to deliver and maintain Program Portfolios efficiently and at a competitive cost with SMAs, bond funds and ETFs. As a result, personal portfolio service can be extended to all investors with a marketing strategy that significantly enhances a firm’s ability to sell individual bonds. The Program is available to broker-dealers on a per-account subscription basis.

BondWave LLC is a joint venture between First Trust Portfolios, LP and Lehman Brothers, Inc. For more information, contact BondWave at 630-795-7000 or visit www.BondWave.com.

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