BOYD GAMING CORP
Form 8-K
April 30, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
Date of Report (date of earliest event reported): April 30, 2014

Boyd Gaming Corporation
(Exact Name of Registrant as Specified in its Charter)

Nevada	001-12882	88-0242733
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

3883 Howard Hughes Parkway, Ninth Floor
Las Vegas, Nevada 89169
(Address of Principal Executive Offices, Including Zip Code)

(702) 792-7200
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)
Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On April 30, 2014, Boyd Gaming Corporation (the "Company") issued a press release announcing its financial results for the first quarter ended March 31, 2014 and other financial information. A copy of the press release is furnished hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated April 30, 2014

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 30, 2014	Boyd Gaming Corporation
	/s/ Anthony D. McDuffie Anthony D. McDuffie Vice President and Chief Accounting Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release, dated April 30, 2014

nt: 4%; font-size: 10pt; font-family: 'Times New Roman', Times; color: #000000; background: #FFFFFF"> It is anticipated that loans under the credit facility will bear interest at a floating rate of (1) the base rate plus 0% per annum for loans based on the base rate or (2) LIBOR plus 1.25% for loans based on LIBOR for the first two fiscal quarters ending after the closing date of the acquisition, and thereafter at an interest rate based on certain financial ratios applicable to us and our consolidated subsidiaries. As such, the interest expense we incur will vary with changes in the applicable base or LIBOR reference rate. An increase in interest rates would adversely affect the market value of any fixed-rate debt investments and/or subject them to prepayment or extension risk, which may adversely affect our earnings and liquidity.

GLG is subject to currency-related risks that could adversely affect our business, results of operation or financial condition.

GLG earns a significant portion of its revenue and incurs a significant portion of its expenditure in currencies other than the U.S. dollar. Movements in currency exchange rates could have an adverse effect on both our revenues and expenses.

If we were deemed an investment company under the Investment Company Act of 1940 following the consummation of the acquisition, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

A person will generally be deemed to be an investment company for purposes of the Investment Company Act, if:

- it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or

- absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

We believe that we will be engaged primarily in the business of providing asset management and financial advisory services and not in the business of investing, reinvesting or trading in securities. We also believe that the primary source of income from each of our businesses will be properly characterized as income earned in exchange for the provision of services. We will be an asset management and financial advisory firm and do not propose to engage primarily in the business of investing, reinvesting or trading in securities. Accordingly, we do not believe that, following the acquisition, we will be an orthodox investment company as defined in section 3(a)(1)(A) of the Investment Company Act and described in the first bullet point above. Further, following the acquisition, we will have no material assets other than our equity interests in our subsidiaries, which in turn will have no material assets, other than equity interests in the Acquired Companies and inter-company debt. (These subsidiaries will be vested with all management and control over the Acquired Companies.) We do not believe our equity interests in our subsidiaries or the equity interests of these subsidiaries in the Acquired Companies are investment securities. Moreover, because we believe that the

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subscriber shares in certain GLG Funds are neither securities nor investment securities, we believe that less than 40% of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis following the acquisition will be comprised of assets that could be considered investment securities. Accordingly, we do not believe that, following the acquisition, we will be an inadvertent investment company by virtue of the 40% test in section 3(a)(1)(C) of the Investment Company Act as described in the second bullet point above.

The Investment Company Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. We intend to conduct our operations so that we will not be deemed to be an investment company under the Investment Company Act. If anything were to happen which would cause us to be deemed to be an investment company under the Investment Company Act, requirements imposed by the Investment Company Act, including limitations on our capital structure, ability to transact business with affiliates (including the Acquired Companies) and ability to compensate key employees, could make it impractical for us to continue our business as currently conducted, impair the agreements and arrangements between and among us, the Acquired Companies, and our senior managing directors, or any combination thereof, and materially adversely affect our business, financial condition and results of operations. In addition, we may be required to limit the amount of investments that we make as a principal or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the Investment Company Act.

Risks Related to the GLG Funds

GLG currently derives its revenues from management fees and administration fees based on the value of the assets under management in the GLG Funds and the accounts managed by GLG, and performance fees based on the performance of the GLG Funds and the accounts managed by GLG. If the acquisition is consummated, Freedom s stockholders will not become investors in the GLG Funds and the accounts managed by GLG, but rather will become stockholders of an alternative asset manager. GLG s revenues could be adversely affected by many factors that could reduce assets under management or negatively impact the performance of the GLG Funds and accounts managed by GLG.

Valuation methodologies for certain assets in the GLG Funds can be subject to significant subjectivity.

In calculating the net asset values of the GLG Funds, administrators of the GLG Funds may rely on methodologies for calculating the value of assets in which the GLG Funds invest that GLG or other third parties supply. Such methodologies are advisory only but are not verified in advance by GLG or any third party, and the nature of some of the funds investments is such that the methodologies may be subject to significant subjectivity and little verification or other due diligence and may not comply with generally accepted accounting practices or other valuation principles. Any allegation or finding that such methodologies are or have become, in whole or in part, incorrect or misleading could have an adverse effect on the valuation of the relevant GLG Funds and, accordingly, on the management fees and any performance fees receivable by us in respect of such funds.

Some of the GLG Funds and managed accounts are subject to emerging markets risks.

Some of the GLG Funds and managed accounts invest in sovereign debt issues by emerging market countries as well as in debt and equity investments of companies and other entities in emerging markets. Many emerging markets are developing both economically and politically and may have relatively unstable governments and economies based on only a few commodities or industries. Many emerging market countries do not have firmly established product markets, and companies may lack depth of management or may be vulnerable to political or economic developments such as nationalization of key industries. Investments in companies and other entities in emerging markets and

investments in emerging market sovereign debt may involve a high degree of risk and may be speculative. Risks include (1) greater risk of expropriation, confiscatory taxation, nationalization, social and political instability (including the risk of changes of

government following elections or otherwise) and economic instability; (2) the relatively small current size of some of the markets for securities and other investments in emerging markets issuers and the current relatively low volume of trading, resulting in lack of liquidity and in price volatility; (3) certain national policies which may restrict a GLG Fund s or a managed account s investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; (4) the absence of developed legal structures governing private or foreign investment and private property; (5) the potential for higher rates of inflation or hyper-inflation; (6) currency risk and the imposition, extension or continuation of foreign exchange controls; (7) interest rate risk; (8) credit risk; (9) lower levels of democratic accountability; (10) differences in accounting standards and auditing practices which may result in unreliable financial information; and (11) different corporate governance frameworks. The emerging markets risks described above increase counterparty risks for GLG Funds and managed accounts investing in those markets. In addition, investor risk aversion to emerging markets can have a significant adverse affect on the value and/or liquidity of investments made in or exposed to such markets and can accentuate any downward movement in the actual or anticipated value of such investments which is caused by any of the factors described above.

Emerging markets are characterized by a number of market imperfections, analysis of which requires experience in the market and a range of complementary specialist skills. These inefficiencies include (1) the effect of politics on sovereign risk and asset price dynamics; and (2) institutional imperfections in emerging markets, such as deficiencies in formal bureaucracies, historical or cultural norms of behavior and access to information driving markets. While GLG seeks to take advantage of these market imperfections to achieve investment performance for the GLG Funds and managed accounts, we cannot guarantee that will be able do so in the future. A failure to do so could have a material adverse effect on our business, growth prospects, net inflows of AUM, revenues, results of operations and/or financial condition.

Many of the GLG Funds invest in foreign countries and securities of issuers located outside of the United States and the United Kingdom, which may involve foreign exchange, political, social and economic uncertainties and risks.

Many of the GLG Funds invest a portion of their assets in the equity, debt, loans or other securities of issuers located outside the United States and the United Kingdom. In addition to business uncertainties, such investments may be affected by changes in exchange values as well as political, social and economic uncertainty affecting a country or region. Many financial markets are not as developed or as efficient as those in the United States and the United Kingdom, and as a result, liquidity may be reduced and price volatility may be higher. The legal and regulatory environment may also be different, particularly with respect to bankruptcy and reorganization. Financial accounting standards and practices may differ, and there may be less publicly available information in respect of such companies.

Restrictions imposed or actions taken by foreign governments may adversely impact the value of our fund investments. Such restrictions or actions could include exchange controls, seizure or nationalization of foreign deposits and adoption of other governmental restrictions which adversely affect the prices of securities or the ability to repatriate profits on investments or the capital invested itself. Income received by the GLG Funds from sources in some countries may be reduced by withholding and other taxes. Any such taxes paid by a GLG Fund will reduce the net income or return from such investments. While the GLG Funds will take these factors into consideration in making investment decisions, including when hedging positions, no assurance can be given that the GLG Funds will be able to fully avoid these risks or generate sufficient risk-adjusted returns.

There are risks associated with the GLG Funds investments in high yield and distressed debt.

The GLG Funds may invest in obligors and issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive problems, or in obligors and issuers that are involved in bankruptcy or reorganization proceedings. Among the problems involved in investments in

troubled obligors and issuers is the fact that it may frequently be difficult to obtain full information as to the conditions of such obligors and issuers. The market prices of such investments are also subject to abrupt and erratic market movements and significant price volatility, and the spread between the bid and offer prices of such investments may be greater than normally expected. It may

take a number of years for the market price of such investments to reflect their intrinsic value. Some of the investments held by the GLG Funds may not be widely traded, and depending on the investment profile of a particular GLG Fund, that fund s exposure to such investments may be substantial in relation to the market for those investments. In addition, there is no recognized market for some of the investments held in GLG Funds, with the result that such investments are likely to be illiquid. As a result of these factors, the investment objectives of the relevant funds may be more difficult to achieve.

Fluctuations in interest rates may significantly affect the returns derived from the GLG Funds investments.

Fluctuations in interest rates may significantly affect the return derived from investments within the GLG Funds, as well as the market values of, and the corresponding levels of gains or losses on, such investments. Such fluctuations could materially adversely affect investor sentiment towards fixed income and convertible debt instruments generally and the GLG Funds in particular and consequently could have a material adverse effect on our business, results of operations or financial condition.

The GLG Funds are subject to risks due to potential illiquidity of assets.

The GLG Funds may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely divestiture or sale of trading positions can be impaired by decreased trading volume, increased price volatility, concentrated trading positions, limitations on the ability to transfer positions in highly specialized or structured transactions to which it may be a party, and changes in industry and government regulations. It may be impossible or costly for the GLG Funds to liquidate positions rapidly in order to meet margin calls, withdrawal requests or otherwise, particularly if there are other market participants seeking to dispose of similar assets at the same time or the relevant market is otherwise moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise. Moreover, these risks may be exacerbated for the GLG Funds that are funds of hedge funds. For example, if one of these funds of hedge funds were to invest a significant portion of its assets in two or more hedge funds that each had illiquid positions in the same issuer, the illiquidity risk for these funds of hedge funds would be compounded.

There are risks associated with the GLG Funds use of leverage.

The GLG Funds have, and may, in the future, use leverage by borrowing on the account of funds on a secured and/or unsecured basis and pursuant to repurchase arrangements and/or deferred purchase agreements. Leverage can also be employed in a variety of other ways including margining (that is, an amount of cash or securities an investor deposits with a broker when borrowing to buy investments) and the use of futures, warrants, options and other derivative products. Generally, leverage is used with the intention of increasing the overall level of investment in a fund. Higher investment levels may offer the potential for higher returns. This exposes investors to increased risk as leverage can increase the fund s market exposure and volatility. For instance, a purchase or sale of a leveraged investment may result in losses in excess of the amount initially deposited as margin for the investment. This increased market exposure and volatility could have a material adverse effect on the return of the funds.

There are risks associated with the GLG Funds investments in derivatives.

The GLG Funds may make investments in derivatives. These investments are subject to a variety of risks. Examples of such risks may include, but are not limited to:

Limitation of risk assessment methodologies. Decisions to enter into these derivatives and other securities contracts will be based on estimates of returns and probabilities of loss derived from our own calculations and analysis. There can be no assurance that the estimates or the methodologies, or the assumptions which underlie

such estimates and methodologies, will turn out to be valid or appropriate;

Risks underlying the derivative and securities contracts. A general rise in the frequency, occurrence or severity of certain non-financial risks such as accidents and/or natural catastrophes will lead to a

general decrease in the returns and the possibility of returns from these derivatives and securities contracts, which will not be reflected in the methodology or assumption underlying the analysis of any specific derivative or securities contract; and

Particular risks. The particular instruments in which we will invest on behalf of the GLG Funds may produce an unusually and unexpectedly high amount of losses, which will not be reflected in the methodology or assumptions underlying the analysis of any specific derivative or securities contract.

The GLG Funds are subject to risks in using prime brokers, custodians, administrators and other agents.

All of the GLG Funds depend on the services of prime brokers, custodians, administrators and other agents in connection with certain securities transactions. For example, in the event of the insolvency of a prime broker and/or custodian, the funds might not be able to recover equivalent assets in full as they will usually rank among the prime broker s and custodian s unsecured creditors in relation to assets that the prime broker or custodian borrows, lends or otherwise uses. In addition, the GLG Funds cash held with a prime broker or custodian may not be segregated from the prime broker s or custodian s own cash, and the GLG Funds may therefore rank as unsecured creditors in relation thereto.

GLG Fund investments are subject to numerous additional risks.

GLG Fund investments, including investments by its external fund of hedge funds products in other hedge funds, are subject to numerous additional risks, including the following:

Certain of the GLG Funds are newly established funds without any operating history or are managed by management companies or general partners who do not have a significant track record as an independent manager;

Generally, there are few limitations on the execution of the GLG Funds investment strategies, which are subject to the sole discretion of the management company of such funds;

The GLG Funds may engage in short-selling, which is subject to the theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. A GLG Fund may be subject to losses if a security lender demands return of the lent securities and an alternative lending source cannot be found or if the GLG Fund is otherwise unable to borrow securities that are necessary to hedge its positions;

Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This systemic risk may adversely affect the financial intermediaries (such as clearing agencies, clearing houses, banks, securities firms and exchanges) with which the GLG Funds interact on a daily basis;

The efficacy of investment and trading strategies depends largely on the ability to establish and maintain an overall market position in a combination of financial instruments. Trading orders may not be executed in a timely and efficient manner due to various circumstances, including systems failures or human error. In such event, the GLG Funds might only be able to acquire some but not all of the components of the position, or if the overall position were to need adjustment, the GLG Funds might not be able to make such adjustment. As a result, the GLG Funds would not be able to achieve the market position selected by the management company or general partner of such funds, and might incur a loss in liquidating their position; and

The investments held by the GLG Funds are subject to risks relating to investments in commodities, futures, options and other derivatives, the prices of which are highly volatile and may be subject to the theoretically unlimited risk of loss in certain circumstances, including if the fund writes a call option. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand

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relationships, trade, fiscal, monetary and exchange control programs and policies of governments and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, the assets of the GLG Funds are subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or counterparties. Most U.S. commodities exchanges limit fluctuations in certain commodity interest prices during a single day by imposing daily price fluctuation limits or daily limits, the existence of which may reduce liquidity or effectively curtail trading in particular markets.

The GLG Funds are subject to counterparty risk with regard to over-the-counter instruments which they may hold.

In the event of the insolvency of any counterparty or of any broker through which portfolio managers trade for the account of the GLG Funds, such as prime brokerage and custodian agreements to which certain of the GLG Funds are party, the funds may only rank as unsecured creditors in respect of sums due to them on the margin accounts or otherwise and any losses will be borne by the funds. The GLG Funds may also enter into currency, interest rate, total return or other swaps which may be surrogates for other instruments such as currency forwards and interest rate options. The value of such instruments, which generally depends upon price movements in the underlying assets as well as counterparty risk, will influence the performance of the GLG Funds and therefore a fall in the value of such instruments could have a material adverse effect on our business, results of operations or financial condition. In particular, certain GLG Funds frequently trade in debt securities and other obligations, either directly or on an assignment basis. Consequently, the GLG Funds will be subject to risk of default by the debtor or obligor in relation to their debt securities and other obligations, which could have a material adverse effect on our business, results of operations or financial condition.

The due diligence process that we will undertake in connection with investments by the GLG Funds may not reveal all facts that may be relevant in connection with an investment.

Before making investments, we will conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, we may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we will rely on the resources available to us, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that we will carry out with respect to any investment opportunity may not reveal or highlight certain facts that could adversely affect the value of the investment.

The GLG Funds make investments in companies that the GLG Funds do not control.

Investments by most of the GLG Funds will include debt instruments and equity securities of companies that the GLG Funds do not control. Such instruments and securities may be acquired by the GLG Funds through trading activities or through purchases of securities from the issuer. These investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our interests. If any of the foregoing were to occur, the values of investments by the GLG Funds could decrease and our financial condition, results of operations and cash flow could suffer as a result.

Risk management activities may adversely affect the return on the GLG Funds investments.

When managing their exposure to market risks, the GLG Funds may from time to time use forward contracts, options, swaps, credit default swaps, caps, collars and floors or pursue other strategies or use other forms of derivative instruments to limit our exposure to changes in the relative values of investments that may

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result from market developments, including changes in prevailing interest rates, currency exchange rates and commodity prices. The success of any hedging or other derivative transactions generally will depend on the ability to correctly predict market changes, the degree of correlation between price movements of a derivative instrument, the position being hedged, the creditworthiness of the counterparty and other factors. As a result, while the GLG Funds may enter into a transaction in order to reduce their exposure to market risks, the transaction may result in poorer overall investment performance than if it had not been executed. Such transactions may also limit the opportunity for gain if the value of a hedged position increases.

The GLG Funds may be subject to U.K. tax if GLG does not qualify for the U.K. Investment Manager Exemption.

Certain of the GLG Funds may, under U.K. tax legislation, be regarded as carrying on a trade in the United Kingdom through their investment manager, GLG Partners LP. It is our intention to organize our affairs such that neither the investment manager nor the group companies that are partners in the investment manager constitute a U.K branch or permanent establishment of the GLG Funds by reason of exemptions provided by Section 127 of the Finance Act 1995 and Schedule 26 of the Finance Act 2003. These exemptions, which apply in respect of income tax and corporation tax respectively, are substantially similar and are each often referred to as the Investment Manager Exemption (IME).

We cannot assure you that the conditions of the IME will be met at all times in respect of every fund. Failure to qualify for the IME in respect of a fund could subject the fund to U.K. tax liability, which, if not paid, would become the liability of GLG Partners LP, as investment manager. This U.K. tax liability could be substantial.

In organizing our affairs such that we are able to meet the IME conditions, we will take account of a statement of practice published by the U.K. tax authorities that sets out their interpretation of the law. A revised version of this statement was published on July 20, 2007. The revised statement applies with immediate effect, but under grandfathering provisions we may follow the original statement in respect of the GLG Funds until December 31, 2009 and, therefore, the revised statement has no impact until 2010. Furthermore, we believe that the changes in practice that have been introduced will not have a material impact on our ability to meet the IME conditions in respect of the GLG Funds.

Risks Related to Our Organization and Structure Following the Acquisition

The consummation of the acquisition could result in disruptions in business, loss of clients or contracts or other adverse effects.

The consummation of the acquisition may cause disruptions, including potential loss of clients and other business partners, in the business of GLG, which could have material adverse effects on our business and operations. Although we believe that GLG s business relationships are and will remain stable following the acquisition, GLG s clients and other business partners, in response to the consummation of the acquisition, may adversely change or terminate their relationships with us, which could have a material adverse effect on our business following the acquisition.

Since GLG is primarily operated in the United Kingdom, we may encounter risks specific to companies located outside the United States.

Since GLG is primarily operated in the United Kingdom, we will be exposed to risks that could negatively impact our future results of operations following the acquisition. The additional risks we may be exposed to in these cases include but are not limited to:

tariffs and trade barriers;

regulations related to customs and import/export matters;

tax issues, such as tax law changes and variations in tax laws as compared to the United States;

cultural differences; and

foreign exchange controls.

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We will be a controlled company within the meaning of the New York Stock Exchange Listed Company Manual and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance standards, which may limit the presence of independent directors on our board of directors or board committees.

Following the consummation of the acquisition, GLG s Principals, their Trustees and certain other GLG Shareowners who have entered into a voting agreement will beneficially own our common stock and Series A preferred stock which collectively initially represent approximately 54% of our voting power (after giving effect to the co-investment and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding warrants). Accordingly, they will have the ability to elect our board of directors and thereby control our management and affairs. Therefore, we will be a controlled company for purposes of Section 303(A) of the New York Stock Exchange Listed Company Manual.

As a controlled company, we will be exempt from certain governance requirements otherwise required by the New York Stock Exchange, including the requirement that we have a nominating and corporate governance committee. Under these rules, a company of which more than 50% of the voting power is held by an individual, a group or another company is a controlled company and is exempt from certain corporate governance requirements, including requirements that (1) a majority of the board of directors consist of independent directors, (2) compensation of officers be determined or recommended to the board of directors by a majority of its independent directors or by a compensation committee that is composed entirely of independent directors and (3) director nominees be selected or recommended for selection by a majority of the independent directors or by a nominating committee composed solely of independent directors. Following the consummation of the acquisition, we intend to utilize some of these exemptions. For example, we will not have a nominating committee. Accordingly, the procedures for approving significant corporate decisions can be determined by directors who have a direct or indirect interest in the matters and you will not have the same protections afforded to stockholders of other companies that are required to comply with the rules of the New York Stock Exchange. In addition, although we initially expect that a majority of our board of directors will consist of independent directors, we cannot assure you that we will not rely on the exemption from this requirement in the future.

Because of their ownership of approximately 54% of our voting power, GLG s Principals, their Trustees and certain other GLG Shareowners will also be able to determine the outcome of all matters requiring stockholder approval (other than those requiring a super-majority vote) and will be able to cause or prevent a change of control of our company or a change in the composition of our board of directors, and could preclude any unsolicited acquisition of our company. In addition, because they collectively may determine the outcome of a stockholder vote, they could deprive stockholders of an opportunity to receive a premium for their shares as part of a sale of our company, and that voting control could ultimately affect the market price of our common stock.

Certain provisions in our proposed organizational documents and Delaware law will make it difficult for someone to acquire control of us.

Provisions in our organizational documents as proposed to be amended in connection with the acquisition will make it more difficult and expensive for a third party to acquire control of us even if a change of control would be beneficial to the interests of our stockholders. For example, our organizational documents will require advance notice for proposals by stockholders and nominations, place limitations on convening stockholder meetings and authorize the issuance of preferred shares that could be issued by our board of directors to thwart a takeover attempt. In addition, if approved by Freedom stockholders, the amendments to our organizational documents will require the affirmative vote of at least 662/3% of the combined voting power of all outstanding shares of Freedom capital stock entitled to vote generally, voting together as a single class, to adopt, alter, amend or repeal our by-laws; remove a director (other than directors elected by a series of preferred stock of Freedom, if any, entitled to elect a class of directors) from office,

with or without cause; and amend, alter or repeal certain provisions of our certificate of incorporation which require a stockholder vote higher than a majority vote, including the amendment provision itself, or to adopt any provision inconsistent with those provisions.

Because of their ownership of approximately 54% of the our voting power, the Principals, their Trustees and certain other GLG Shareowners will be able to determine the outcome of all matters requiring stockholder approval (other than those requiring a super-majority vote) and will be able to cause or prevent a change of control of our company or a change in the composition of our board of directors, and could preclude any unsolicited acquisition of our company. Certain provisions of Delaware law may also delay or prevent a transaction that could cause a change in our control. The market price of our shares could be adversely affected to the extent that the Principals control over us, as well as provisions of our organizational documents, discourage potential takeover attempts that our stockholders may favor.

An active market for our common stock may not develop.

Our common stock is currently listed on the American Stock Exchange. We will apply to have our shares of common stock listed on the New York Stock Exchange under the symbol GLG . However, we cannot assure you that our shares will be approved for listing on the New York Stock Exchange or, if approved, that a regular trading market of our shares will develop on that exchange or elsewhere or, if developed, that any market will be sustained. Accordingly, we cannot assure you of the likelihood that an active trading market for our shares will develop or be maintained, the liquidity of any trading market, your ability to sell your shares when desired, or at all, or the prices that you may obtain for your shares.

The value of our common stock may be adversely affected by market volatility.

Even if an active trading market develops, the market price of our shares may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume in our shares may fluctuate and cause significant price variations to occur. If the market price of our shares declines significantly, you may be unable to resell your shares at or above your purchase price, if at all. We cannot assure you that the market price of our shares will not fluctuate or decline significantly in the future. Some of the factors that could negatively affect the price of our shares or result in fluctuations in the price or trading volume of our shares include:

- variations in our quarterly operating results or dividends;
- failure to meet analysts earnings estimates or failure to meet, or the lowering of, our own earnings guidance;
- publication of research reports about us or the investment management industry or the failure of securities analysts to cover our shares after the acquisition;
- additions or departures of the Principals and other GLG key personnel;
- adverse market reaction to any indebtedness we may incur or securities we may issue in the future;
- actions by stockholders;
- changes in market valuations of similar companies;
- speculation in the press or investment community;
- changes or proposed changes in laws or regulations or differing interpretations thereof affecting our business or enforcement of these laws and regulations, or announcements relating to these matters;
- adverse publicity about the asset management industry generally or individual scandals, specifically; and

general market and economic conditions.

We may not be able to pay dividends on our common stock.

As a holding company, our ability to pay dividends will be subject to the ability of our subsidiaries to provide cash to us. We intend to distribute dividends to our stockholders and/or repurchase our common stock at such time and in such amounts to be determined by our board of directors. Accordingly, we expect to cause our subsidiaries to make distributions to their stockholders or partners, as applicable, in an amount sufficient to enable us to pay such dividends to our stockholders or make such repurchases, as applicable; however, no assurance can be given that such distributions or stock repurchases will or can be made. Our board can reduce or eliminate our dividend, or decide not to repurchase our common stock, at any time, in its discretion. In

addition, our subsidiaries will be required to make minimum tax distributions and intend to make limited partner profit share distributions to our key personnel pursuant to our limited partner profit share arrangement prior to distributing dividends to our stockholders or repurchasing our common stock. If our subsidiaries have insufficient funds to make these distributions, we may have to borrow funds or sell assets, which could materially adversely affect our liquidity and financial condition. In addition, our subsidiaries earnings may be insufficient to enable them to make required minimum tax distributions or intended limited partner profit share distributions to their stockholders, partners or members, as applicable, because, among other things, our subsidiaries may not have sufficient capital surplus to pay dividends or make distributions under the laws of the relevant jurisdiction of incorporation or organization or may not satisfy regulatory requirements of capital adequacy, including the regulatory capital requirements of the FSA in the United Kingdom or the Financial Groups Directive of the European Community. We will also be restricted from paying dividends or making stock repurchases under our credit facility in the event of a default or if we are required to make mandatory prepayment of principal thereunder.

Risks Related to the Acquisition

Our current directors either directly or beneficially own shares of common stock and warrants and have other interests in the acquisition that are different from and in addition to yours. If the acquisition is not approved, the securities held by them will become worthless.

Our sponsors, Berggruen Holdings and Marlin Equities, have agreed to act together for the purpose of acquiring, holding, voting or disposing of our shares of common stock and are deemed to be a group for reporting purposes under the Exchange Act of 1934. As of June 30, 2007, our sponsors and their affiliates beneficially own, in the aggregate, 18.3% of our issued and outstanding shares of common stock (5.6%, in the aggregate, upon consummation of the co-investment and the acquisition). Messrs. Berggruen and Franklin are each deemed to beneficially own 9.1 % of the issued and outstanding shares of our common stock (2.8% upon consummation of the co-investment and the acquisition). All of the shares of our common stock that they are deemed to beneficially own and control are owned indirectly through their respective affiliates.

Our founders beneficially own warrants to purchase 16,500,003 shares of our common stock (21,500,003 shares of our common stock including the co-investment warrants to be purchased by our sponsors immediately prior to our consummation of a business combination). Of these warrants, 12,000,003 were purchased by our founders in a private placement for an aggregate purchase price of $25,000, and 4,500,000 were purchased by our sponsors for $4.5 million immediately prior to the consummation of our initial public offering. In light of the amount of consideration paid, our founders will likely benefit from the consummation of the acquisition, even if the acquisition causes the market price of our securities to significantly decrease. Furthermore, the $4.5 million purchase price of the 4,500,000 sponsors warrants will be included in the working capital that is distributed to our public stockholders in the event of our dissolution and liquidation. This may influence their motivation for promoting the acquisition and/or soliciting proxies for the adoption of the acquisition proposal. Our common stock and warrants had an aggregate market value (without taking into account any discount due to the restricted nature of such securities) of $ based on the closing sale prices of $ and $, respectively, on the American Stock Exchange on the record date. These securities are subject to lock-up agreements and, subject to certain exceptions, may not be sold, assigned or transferred until at least one year after we consummate a business combination, and our founders have waived any rights to receive any liquidation proceeds that may be distributed upon our liquidation in respect of shares they acquired prior to our initial public offering. Therefore, if the acquisition proposal is not adopted and we are required to commence proceedings to dissolve and liquidate, the shares and warrants held directly or beneficially by our founders will be worthless.

In particular, in considering the recommendation of Freedom s board of directors elsewhere in this proxy statement to vote FOR the acquisition proposal, you should also be aware that (i) all of Freedom s directors other than Mr. Morey (due to auditor independence issues) will continue to serve as directors of Freedom following the acquisition and will

be compensated for such service and (ii) if the acquisition is not approved and Freedom fails to consummate an alternative transaction within the time allotted, the shares of common stock and warrants held by Freedom s directors will be worthless because Freedom s directors are not entitled

to receive any of the net proceeds of Freedom s initial public offering that may be distributed upon liquidation of Freedom. Freedom s founders acquired shares of Freedom common stock prior to its initial public offering at a price per share of $0.00208. Freedom s founders will therefore also benefit if the acquisition is approved. For example, the units and the warrants beneficially owned by the directors and officers of Freedom in the aggregate (after giving effect to the co-investment by Freedom s sponsors) would be worth $ and $, respectively, upon consummation of the acquisition and the unrealized profit from such securities would be $ and $, respectively (in each case, based on an assumed market price of the units and the warrants of Freedom of $ and $, respectively).

In addition, if we dissolve and liquidate prior to the consummation of a business combination, Messrs. Berggruen and Franklin, pursuant to certain written agreements executed in connection with our initial public offering, will be personally liable to ensure that the proceeds in the trust account are not reduced by the claims of various vendors that are owed money by us for services rendered or products sold to us and target businesses who have entered into written agreements, such as a letter of intent or confidentiality agreement, with us and who have not waived all of their rights to make claims against the proceeds in the trust account. These personal and financial interests of our directors and officer may have influenced their decision as members of our board of directors to approve the acquisition proposal. In considering the recommendations of our board of directors to vote for the acquisition proposal, the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal, you should consider these interests. Additionally, the exercise of our directors discretion in agreeing to changes or waivers in the terms of the acquisition may result in a conflict of interest when determining whether such changes or waivers are appropriate and in our stockholders best interest.

The price of our common stock after the acquisition may be less than what you originally paid for your shares of common stock prior to the acquisition.

The market for common shares of companies in our industry may be volatile. Our common stock after the acquisition may trade at prices lower than what you originally paid for your corresponding shares of our common stock prior to the acquisition.

A substantial number of Freedom s shares will be issued in connection with the acquisition and will become eligible for future resale in the public market after the acquisition, which will result in substantial dilution and could have an adverse effect on the market price of those shares.

We expect that 230,000,000 shares of Freedom common stock will be issued or reserved for issuance in connection with the acquisition. Upon consummation of the acquisition, there will be the economic equivalent of 294,800,003 shares of our common stock outstanding (299,800,003 shares upon issuance of the co-investment common stock). After giving effect to the acquisition and related transactions, the GLG Shareowners and GLG s employees, key personnel and other individuals who receive securities in connection with the acquisition will, collectively, own securities that would (if fully converted or exchanged) represent approximately 72% of Freedom s common stock on a fully diluted basis (exclusive of any stock-based awards that may be granted under the LTIP). Freedom s existing stockholders would own approximately by 28% of Freedom s common stock on a fully diluted basis (exclusive of any stock-based awards that may be granted under the LTIP). As of June 30, 2007, there were 64,800,003 shares of Freedom common stock issued and outstanding. As a result of the dilutive effect of the issuance of our stock in the acquisition, for purposes of illustration, a stockholder who owned 5.0% of Freedom s outstanding shares of our common stock on June 30, 2007, would own approximately 1.1% of the outstanding shares of Freedom common stock immediately following the closing of the acquisition and after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding Freedom warrants. Sales of substantial numbers of such shares in the public market could adversely affect the market price of such shares and of the warrants.

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To complete the proposed acquisition, we will incur a large amount of debt, which will limit our ability to fund general corporate requirements and obtain additional financing, limit our flexibility in responding to business opportunities and competitive developments and increase our vulnerability to adverse economic and industry conditions.

We expect to incur up to $570.0 million of indebtedness to finance the proposed acquisition, transaction costs, deferred underwriting fees and our operations after the acquisition. As a result of the substantial fixed costs associated with these debt obligations, we expect that:

- a decrease in revenues will result in a disproportionately greater percentage decrease in earnings;
- we may not have sufficient liquidity to fund all of these fixed costs if our revenues decline or costs increase;
- we may have to use our working capital to fund these fixed costs instead of funding general corporate requirements, including capital expenditures; and
- we may not have sufficient liquidity to respond to business opportunities, competitive developments and adverse economic conditions.

These debt obligations may also impair our ability to obtain additional financing, if needed, and our flexibility in the conduct of our business. Moreover, we expect that the terms of our indebtedness will restrict our ability to take certain actions, including the incurrence of additional indebtedness, mergers and acquisitions, investments at the parent company level and asset sales. Our ability to pay the fixed costs associated with our debt obligations will depend on our operating performance and cash flow, which will in turn depend on general economic conditions. A failure to pay interest or indebtedness when due could result in a variety of adverse consequences, including the acceleration of our indebtedness. In such a situation, it is unlikely that we would be able to fulfill our obligations under or repay the accelerated indebtedness or otherwise cover our fixed costs.

We expect to incur significant costs associated with the acquisition, whether or not the acquisition is completed, which will reduce the amount of cash otherwise available for other corporate purposes.

We expect to incur significant costs associated with the acquisition, whether or not the acquisition is completed. These costs will reduce the amount of cash otherwise available for other corporate purposes. We estimate that we will incur direct transaction costs of approximately $36 million associated with the acquisition, which will be included as a part of the total purchase cost for accounting purposes if the acquisition is completed. There is no assurance that the actual costs may not exceed these estimates. In addition, FA Sub 2 Limited and FA Sub 3 Limited may incur additional material charges reflecting additional costs associated with the acquisition in fiscal quarters subsequent to the quarter in which the acquisition was completed. There is no assurance that the significant costs associated with the acquisition will prove to be justified in light of the benefit ultimately realized. Although there are no compensation charges relating to the acquisition, we expect compensation and benefits to reflect the amortization of a significant non-cash equity-based compensation expense associated with the vesting of equity-based awards over the next five years, which under GAAP will reduce our net income and may result in net losses. As a result, as described under Unaudited Pro Forma Condensed Combined Financial Information , we will have negative net worth and net losses on a pro forma basis after the consummation of the acquisition.

There are significant limitations on our right to make damage claims against GLG and the GLG Shareowners for their breach of purchase agreement representations and warranties or covenants, under the indemnification provisions in the purchase agreement.

The purchase agreement gives us the right, after the closing, to make indemnification claims against the GLG Shareowners under certain circumstances. These include, among others, subject to in each case certain exceptions and limitations:

a breach of representations and warranties made to us in the purchase agreement;

a violation of certain covenants or agreements in the purchase agreement and related documents;

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- the litigation referred to in this proxy statement under the heading Legal and Regulatory Proceedings Vivendi ;

- certain tax liabilities; and

- the failure to have terminated certain contractual arrangements binding on certain Acquired Companies prior to closing the acquisition.

There are a number of limitations on our right to make indemnification claims for these matters. Some of these relate only to specified items referred to above; others apply generally to all of these items. These limitations are summarized in this proxy statement under the heading The Purchase Agreement Indemnification . Among other things, these limitations include:

- a limit on the time period in which we have the right to make a claim, and for many potential claims our right to claim indemnification will end one year after the acquisition;

- a requirement that, for most types of claims, our damages exceed various specified amounts, which vary depending on the type of indemnity claim involved, ranging from $1 million to $15 million;

- a limit on the maximum amount of damages we may recover, which varies depending on the type of claim and the GLG Shareowner against whom we make the claim, but in any event can not exceed what we paid to the person or persons liable, and for many potential claims may not exceed $300 million;

- a reduction of the amount we can claim based on insurance recoveries, tax savings and various other offsets; and

- exclusions for claims based on matters reflected or reserved for in GLG s financial statements and for matters related to changes in law.

In addition, our ability to make indemnification claims against certain of the GLG Shareowners (referred to as Designated Sellers) are subject to further limitations as described under the heading The Purchase Agreement Indemnification .

We do not have any operations, and GLG has never operated as a public company. Fulfilling our obligations as a public company after the acquisition will be expensive and time consuming.

GLG, as a private company, has not been required to prepare or file periodic and other reports with the U.S. Securities and Exchange Commission, or SEC, under the applicable U.S. federal securities laws or to comply with the requirements of U.S. federal securities laws applicable to public companies, such as Section 404 of the Sarbanes-Oxley Act of 2002. Although GLG maintains separate legal and compliance and internal audit functions, which along with its Chief Operating Officer, report on a day-to-day basis directly to its Co-Chief Executive Officer with further formal reporting to its Management Committee, and we have maintained disclosure controls and procedures and internal control over financial reporting as required under the U.S. federal securities laws with respect to our activities, neither GLG nor Freedom has been required to establish and maintain such disclosure controls and procedures and internal controls over financial reporting as will be required with respect to a public company with substantial operations.

Under the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, as well as the rules of the American Stock Exchange, where we are currently listed, and the New York Stock Exchange, where we intend to

apply for listing if the acquisition is consummated, we will be required to implement additional corporate governance practices and adhere to a variety of reporting requirements and accounting rules. Compliance with these obligations will require significant time and resources from our management and our finance and accounting staff, may require additional staffing and infrastructure and will significantly increase our legal, insurance and financial compliance costs. As a result of the increased costs associated with being a public company after the acquisition, our operating income as a percentage of revenue is likely to be lower.

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We must comply with Section 404 of the Sarbanes-Oxley Act of 2002 in a relatively short timeframe.

After the acquisition, Section 404 of the Sarbanes-Oxley Act of 2002 will require us to document and test the effectiveness of our internal controls over financial reporting in accordance with an established control framework and to report on our management s conclusion as to the effectiveness of these internal controls over financial reporting beginning with the fiscal year ending December 31, 2007. We will also be required to have an independent registered public accounting firm test the internal controls over financial reporting and report on the effectiveness of such controls for the fiscal year ending December 31, 2007 and subsequent years. In addition, the independent registered public accounting firm will be required to report on management s assessment. Any delays or difficulty in satisfying these requirements could adversely affect future results of operations and our stock price.

We may incur significant costs to comply with these requirements. We may in the future discover areas of internal controls over financial reporting that need improvement, particularly with respect to any businesses acquired in the future. There can be no assurance that remedial measures will result in adequate internal controls over financial reporting in the future. Any failure to implement the required new or improved controls, or difficulties encountered in their implementation, could materially adversely affect our results of operations or could cause us to fail to meet our reporting obligations. If we are unable to conclude that we have effective internal controls over financial reporting, or if our auditors are unable to provide an unqualified report regarding the effectiveness of internal controls over financial reporting as required by Section 404, investors may lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our securities. In addition, failure to comply with Section 404 could potentially subject us to sanctions or investigation by the SEC or other regulatory authorities.

The American Stock Exchange may delist our securities, which could limit investors ability to make transactions in our securities and subject us to additional trading restrictions.

Our securities are listed on the American Stock Exchange. We intend to seek to have our securities approved for listing on the New York Stock Exchange following consummation of the acquisition. We cannot assure you that our securities will continue to be listed on the American Stock Exchange, as we might not meet certain continued listing standards such as income from continuing operations, or that our securities will be approved for listing on the New York Stock Exchange. Additionally, until such time as we voluntarily delist from the American Stock Exchange in connection with the acquisition of GLG, the American Stock Exchange may require us to file a new initial listing application and meet its initial listing requirements as opposed to its more lenient continued listing requirements. We cannot assure you that we will be able to meet those initial listing requirements at that time.

If we fail to have our securities listed on the New York Stock Exchange, and the American Stock Exchange delists our securities from trading, we could face significant consequences including:

- a limited availability for market quotations for our securities;
- reduced liquidity with respect to our securities;
- a determination that our common stock is a penny stock which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our common stock;
- limited amount of news and analyst coverage for our company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

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The failure to address actual or perceived conflicts of interest that may arise as a result of the investment by the Principals and other key personnel of GLG of at least 50% of the after-tax cash proceeds they receive in the acquisition in GLG Funds, may damage GLG s reputation and materially adversely affect GLG s business.

As a result of the significant amount that the Principals their Trustees, and GLG key personnel intend to invest in the GLG Funds after the completion of the acquisition, other investors in the GLG Funds may perceive conflicts of interest regarding investments in the GLG Funds in which the Principals their Trustees, and other key personnel of GLG are personally invested. Actual or perceived conflicts of interests could give rise to investor dissatisfaction or litigation and our reputation could be damaged if we fail, or appear to fail, to deal appropriately with these conflicts of interest. Investor dissatisfaction or litigation in connection with conflicts of interest could materially adversely affect our reputation and GLG s business in a number of ways, including as a result of redemptions by investors from the GLG Funds and a reluctance of counterparties do business with us.

We may choose to redeem our outstanding warrants at a time that is disadvantageous to our warrant holders.

We may redeem the warrants issued as a part of our units at any time after the warrants become exercisable in whole and not in part, at a price of $0.01 per warrant, upon a minimum of 30 days prior written notice of redemption, if and only if, the last sales price of our common stock equals or exceeds $14.25 per share for any 20 trading days within a 30-trading day period ending three business days before we send the notice of redemption. Redemption of the warrants could force the warrant holders (1) to exercise the warrants and pay the exercise price therefor at a time when it may be disadvantageous for the holders to do so, (2) to sell the warrants at the then current market price when they might otherwise wish to hold the warrants or (3) to accept the nominal redemption price which, at the time the warrants are called for redemption, is likely to be substantially less than the market value of the warrants.

Our outstanding warrants may be exercised in the future, which would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders. This might have an adverse effect on the market price of our common stock.

Excluding 21,500,003 warrants beneficially owned by our founders (which includes 5,000,000 co-investment warrants), outstanding redeemable warrants to purchase an aggregate of 52,800,000 shares of common stock (100% of outstanding shares not held by our founders) will become exercisable after the later of the consummation of the acquisition or of another business combination, or December 28, 2007. These warrants would only be exercised if the $7.50 per share exercise price is below the market price of our common stock. To the extent they are exercised, additional shares of our common stock will be issued, which will result in dilution to our stockholders and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our shares.

Risks Related to a Failure to Consummate the Acquisition

If you fail to vote or abstain from voting on the adoption of the acquisition proposal, you may not exercise your redemption rights to redeem your shares of Freedom common stock for a pro rata portion of the aggregate amount then on deposit in the trust account.

Stockholders holding shares of our common stock issued in our initial public offering who vote against adoption of the acquisition proposal may elect to have Freedom redeem their shares for cash equal to a pro rata portion of the aggregate amount then on deposit in the trust account (net of taxes payable on the interest earned thereon). Stockholders who seek to exercise this redemption right must submit their vote against adoption of the acquisition proposal and their election that Freedom redeem their shares for cash no later than immediately prior to the vote on

the acquisition proposal at the special meeting. Any stockholder who fails to vote or who abstains from voting on the acquisition proposal may not exercise his or her redemption rights

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and will not receive a pro rata portion of the aggregate amount then on deposit in the trust account upon redemption of such stockholder s shares.

We may have insufficient time or funds to complete an alternate business combination if the acquisition proposal is not adopted by our stockholders or the acquisition is otherwise not completed.

Pursuant to our certificate of incorporation, among other things, we must complete a business combination with a fair market value of at least 80% of the sum of the balance of the trust account plus the proceeds of the co-investment by certain of our founders at the time of the business combination (excluding deferred underwriting discounts and commissions of approximately $18.0 million) by June 28, 2008 (or by December 28, 2008 if a letter of intent, agreement in principle or a definitive agreement has been executed by June 28, 2008 and the business combination relating thereto has not yet been consummated). If we fail to consummate a business combination within the required time frame, we will, in accordance with our certificate of incorporation dissolve, liquidate and wind up. The foregoing requirements are set forth in our certificate of incorporation and may not be eliminated without the vote of our board and the vote of at least a majority of the voting power of our outstanding voting stock. If the acquisition proposal is not adopted by our stockholders, we will not complete the acquisition and may not be able to consummate an alternate business combination within the required time frame, either due to insufficient time or insufficient operating funds. If we fail to consummate a business combination within the required time frame, we will be required to commence proceedings to dissolve and liquidate our assets. If we dissolve and liquidate before we consummate a business combination and distribute the trust account, our public stockholders will receive less than the unit offering price in our initial public offering of $10.00 and our warrants will expire and become worthless.

You may be held liable for claims by third parties against us to the extent of liquidating distributions received by you.

We will dissolve and liquidate if we do not complete a business combination by June 28, 2008 (or by December 28, 2008 if a letter of intent, agreement in principle or a definitive agreement has been executed by June 28, 2008 and the business combination relating thereto has not yet been consummated). Under the DGCL, stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution conducted in accordance with the DGCL. We do not intend to comply with the procedures set forth in Section 280 of the DGCL, which prescribes various procedures by which stockholder liability may be limited. Because we will not be complying with Section 280, we will seek stockholder approval to comply with Section 281(b) of the DGCL, requiring us to adopt a plan of dissolution that will reasonably provide for our payment of (1) all existing claims, including those that are contingent and are known to us, (2) all pending proceedings to which we are a party and (3) all claims that may be potentially brought against us within the subsequent 10 years based on facts known to us.

However, because we are a blank check company, rather than an operating company, and our operations have been limited to searching for prospective target businesses to acquire, the only likely claims to arise would be from the vendors that we have engaged (such as accountants, lawyers, investment bankers, etc.) and potential target businesses. We have sought to have all vendors that we engage and prospective target businesses execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account. Although we have not received any such agreements, the claims that could be made against us should be significantly limited and the likelihood that any claim that would result in any liability extending to the trust is minimal. If our plan of distribution complies with Section 281(b) of the DGCL, any liability of stockholders with respect to a liquidating distribution is limited to the lesser of such stockholder s pro rata portion of the claim or the amount distributed to the stockholder. Our plan of distribution in compliance with Section 281(b) of the DGCL does not bar stockholder liability for claims not brought in a proceeding before the third anniversary of the dissolution (or such longer period directed by the Delaware Court of Chancery). Accordingly, we cannot assure you that third parties will not seek to recover from our public stockholders amounts owed to them by us.

If we are unable to consummate a business combination within the prescribed time frames and are forced to dissolve and distribute our assets, you will receive less than $10.00 per share on distribution of trust account funds and our warrants will expire worthless.

If we are unable to complete a business combination and must dissolve and liquidate our assets, the per-share liquidating distribution will be less than $10.00 because of the expenses of our initial public offering, our general and administrative expenses and the costs of seeking a business combination. We expect these costs and expenses to include approximately $1.7 million for expenses for the due diligence and investigation of a target business or businesses; approximately $1.7 million for legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; an aggregate of up to $240,000 for office space, administrative services and secretarial support payable to Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, representing $10,000 per month; $125,000 as a reserve for liquidation expenses; $60,000 for legal and accounting fees relating to our SEC reporting obligations; and approximately $75,000 for general working capital that will be used for miscellaneous expenses and reserves. If we are unable to conclude an initial business combination and expend all of the net proceeds of our initial public offering, other than the proceeds deposited in the trust account, and without taking into account interest, if any, earned on the trust account, net of income taxes payable on such interest and net of up to $3.9 million in interest income on the trust account balance previously released to us to fund working capital requirements, the initial per-share liquidation price would be $9.88, or $0.12 less than the per-unit offering price of $10.00. We cannot assure you that the actual per share liquidation price will not be less than $9.88.

In the event that our board of directors recommends and our stockholders approve our dissolution and the distribution of our assets and it is subsequently determined that our reserves for claims and liabilities to third parties are insufficient, stockholders who receive funds from our trust account could be liable up to such amounts to creditors. Furthermore, our outstanding warrants are not entitled to participate in a liquidating distribution and the warrants will therefore expire and become worthless if we dissolve and liquidate before completing a business combination.

If third parties bring claims against us, the proceeds held in trust may be reduced and the per share liquidation price received by you will be less than $9.88 per share.

Our placing of funds in trust may not protect those funds from third-party claims against us. Although we seek to have all vendors, prospective target businesses or other entities that we engage execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the trust account, not all vendors, prospective target businesses or other entities that we have engaged have executed such agreements, and there is no guarantee that all vendors, prospective target businesses or other entities that we engage in the future (if the acquisition is not completed) will execute such agreements, or if executed, that this will prevent potential contracted parties from making claims against the trust account. Nor is there any guarantee that such entities will agree to waive any claims they may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with us and will not seek recourse against the trust account for any reason. Accordingly, the proceeds held in trust may be subject to claims which would take priority over the claims of our public stockholders and, as a result, the per-share liquidation price could be less than $9.88 due to claims of such creditors. If we are unable to complete a business combination and are forced to dissolve and liquidate, each of Messrs. Berggruen and Franklin will, by agreement, be personally liable to ensure that the proceeds in the trust account are not reduced by the claims of prospective target businesses, vendors or other entities that are owed money by us for services rendered or products sold to us. Messrs. Berggruen and Franklin have provided us with documentation showing sufficient liquid assets with which they could meet their respective obligations.

Additionally, if we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us which is not dismissed, the funds held in our trust account will be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to claims of third parties with priority over the claims of our public stockholders. To

the extent bankruptcy claims deplete the trust account, we cannot assure you that we will be able to return to our public stockholders the liquidation amounts due them.

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If we do not complete a business combination and dissolve, payments from the trust account to you may be delayed.

We currently believe that any dissolution and plan of distribution subsequent to the expiration of the 18 and 24 month deadlines would proceed in approximately the following manner:

our board of directors would, consistent with its obligations described in our certificate of incorporation and Delaware law, consider a resolution for us to dissolve and consider a plan of distribution which it may then vote to recommend to our stockholders; at such time it would also cause to be prepared a preliminary proxy statement setting out such plan of distribution as well as the board s recommendation of such plan;

upon such deadline, we would file our preliminary proxy statement with the SEC;

if the SEC were not to review the preliminary proxy statement, then, not less than 10 days following the passing of such deadline, we would mail the proxy statement to our stockholders, and 30 days following the passing of such deadline we would convene a meeting of our stockholders, at which they would either approve or reject our dissolution and plan of distribution; and

if the SEC were to review the preliminary proxy statement, we currently estimate that we would receive their comments 30 days following the passing of such deadline. We would mail the proxy statement to our stockholders following the conclusion of the comment and review process (the length of which we cannot predict with any certainty, and which may be substantial) and we would convene a meeting of our stockholders at which they would either approve or reject our dissolution and plan of distribution.

In the event we seek stockholder approval for our dissolution and plan of distribution and do not obtain such approval, we will nonetheless continue to pursue stockholder approval for our dissolution. Pursuant to the terms of our certificate of incorporation, our powers following the expiration of the permitted time periods for consummating a business combination will automatically thereafter be limited to acts and activities related to dissolving and winding up our affairs, including liquidation. Pursuant to the trust agreement governing such funds, the funds held in our trust account may not be distributed except upon our dissolution and, unless and until the approval of our dissolution is obtained from our stockholders, the funds held in our trust account will not be released (other than in connection with the funding of working capital, a redemption or a business combination as described elsewhere in this proxy statement). Consequently, holders of a majority of our outstanding common stock must approve our dissolution in order to receive the funds held in our trust account and the funds will not be available for any other corporate purpose.

These procedures, or a vote to reject any dissolution and plan of distribution by our stockholders, may result in substantial delays in the liquidation of our trust account to our public stockholders as part of our plan of distribution.

Unless we complete a business combination, Mr. Berggruen and our other directors will not receive reimbursement for any out-of-pocket expenses they incur if such expenses exceed the amount of our available cash which is not in the trust account. Therefore, they may have a conflict of interest in determining whether GLG is appropriate for a business combination and in the public stockholders best interest.

Mr. Berggruen and our other directors will not receive reimbursement for any out-of-pocket expenses incurred by them to the extent such expenses exceed the amount not required to be retained in the trust account, unless the acquisition is consummated. Mr. Berggruen and our other directors have, as part of the acquisition, negotiated the repayment of some or all of any such expenses. The financial interest of Mr. Berggruen and our other directors could influence their motivation in selecting the acquisition and thus, there may be a conflict of interest when determining whether a particular business combination is in the stockholders best interest. In addition, the proceeds we receive from the co-investment may be used to repay the expenses for which Mr. Berggruen and our other directors may

negotiate repayment as part of our business combination.

If we are unable to maintain a current prospectus relating to the common stock underlying our warrants, our warrants may have little or no value and the market for our warrants may be limited.

No warrants will be exercisable, and we will not be obligated to issue shares of common stock upon exercise of warrants by a holder unless, at the time of such exercise, we have a registration statement under the Securities Act of 1933, in effect covering the shares of common stock issuable upon the exercise of the warrants and a current prospectus relating to that common stock. We have agreed to use our best efforts to have a registration statement in effect covering shares of common stock issuable upon exercise of the warrants from the date the warrants become exercisable and to maintain a current prospectus relating to that common stock until the warrants expire or are redeemed. However, we cannot assure you that we will be able to do so. In addition, we may determine to exercise our right to redeem the outstanding warrants while a current prospectus relating to the common stock issuable upon exercise of the warrants is not available, in which case the warrants will not be exercisable prior to their redemption. Additionally, we have no obligation to settle the warrants for cash in the absence of an effective registration statement or under any other circumstances. The warrants may be deprived of any value, the market for the warrants may be limited and the holders of warrants may not be able to exercise their warrants if there is no registration statement in effect covering the shares of common stock issuable upon the exercise of the warrants or the prospectus relating to the common stock issuable upon the exercise of the warrants is not current.

Risks Related to Taxation

Our effective income tax rate depends on various factors and may increase as our business expands into countries with higher tax rates.

There can be no assurance that we will continue to have a low effective income tax rate. We are a U.S. corporation that is subject to the U.S. corporate income tax on its taxable income. Our low expected effective tax rate after the acquisition is primarily attributable to the asset basis step-up resulting from the acquisition and the associated 15-year goodwill amortization deduction for U.S. tax purposes. Going forward, our effective income tax rate will be a function of our overall earnings, the income tax rates in the jurisdictions in which our entities do business, the type and relative amount of income earned by our entities in these jurisdictions and the timing of repatriation of profits back to the United States in the form of dividends. We expect that our effective income tax rate may increase as our business expands into countries with higher tax rates. In addition, allocation of income among business activities and entities is subject to detailed and complex rules and depends on the facts and circumstances. No assurance can be given that the facts and circumstances or the rules will not change from year to year or that taxing authorities will not be able to successfully challenge such allocations.

U.S. persons who own 10% or more of our voting stock may be subject to higher U.S. tax rates on a sale of the stock.

U.S. persons who hold 10% or more (actually and/or constructively) of the total combined voting power of all classes of our voting stock may on the sale of the stock be subject to U.S. tax at ordinary income tax rates (rather than at capital gain tax rates) on the portion of their taxable gain attributed to undistributed offshore earnings. This would be the result if we are treated (for U.S. federal income tax purposes) as principally availed to hold the stock of foreign corporation(s) and the stock ownership in us satisfies the stock ownership test for determining controlled foreign corporation (CFC) status (determined as if we were a foreign corporation). A foreign corporation is a CFC if, for an uninterrupted period of 30 days or more during any taxable year, more than 50% of its stock (by vote or value) is owned by 10% U.S. Shareholders . A U.S. person is a 10% U.S. Shareholder if such person owns (actually and/or constructively) 10% or more of the total combined voting power of all classes of stock entitled to vote of such corporation. Following the acquisition, approximately 32.0% of our stock will be treated as directly or constructively owned by 10% U.S. Shareholders. Therefore, any U.S. person who considers acquiring (directly, indirectly and/or

constructively) 10% or more of our outstanding stock should first consult with his or her tax advisor.

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Our U.K. tax liability will be higher if the interest expense incurred by FA Sub 3 Limited cannot be fully utilized for U.K. tax purposes.

FA Sub 3 Limited is incurring debt to finance the acquisition and will be claiming a deduction for U.K. tax purposes for the interest expense incurred on such debt. If the interest expense incurred by FA Sub 3 Limited cannot be fully utilized for U.K. tax purposes against U.K. income, our U.K. tax liability might increase significantly. See also Our tax position might change as a result of a change in tax laws. below for a discussion of U.K. government proposals on interest deductibility.

Our tax position might change as a result of a change in tax laws.

Since we operate our business in the United Kingdom, the United States and internationally, we are subject to many different tax laws. Tax laws (and the interpretations of tax laws by taxing authorities) are subject to frequent change, sometimes retroactively. There can be no assurance that any such changes in the tax laws applicable to us will not adversely affect our tax position.

The U.K. government has recently published proposals with regard to the deductibility of interest expense incurred by U.K. tax resident entities. No assurances can be given that the U.K. government will not enact legislation that restricts the ability of FA Sub 3 Limited to claim a tax deduction for the full amount of its interest expense.

The U.S. Congress is considering changes to U.S. income tax laws which would increase the U.S. income tax rate imposed on carried interest earnings and would subject to U.S. corporate income tax certain publicly held private equity firms and hedge funds structured as partnerships (for U.S. federal income tax purposes). These changes would not apply to us because Freedom is already taxed in the United States as a U.S. corporation and GLG earns fee income and does not receive a carried interest. No assurances can be given that the U.S. Congress might not enact other tax law changes that would adversely affect us.

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FORWARD-LOOKING STATEMENTS

This proxy statement includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Our forward-looking statements include, but are not limited to, statements regarding our expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words anticipates believe, continue, could, estimate, expect, may, might, plan, possible, potential, predict, project, should, would and similar expressions may id forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this proxy statement are based on our current expectations and beliefs concerning future developments and their potential effects on us and speak only as of the date of such statement. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the heading Risk Factors and the following:

Freedom s ability to complete a combination with one or more target businesses, including the acquisition of GLG;

Freedom s success in retaining or recruiting, or changes required in, its management or directors following a business combination;

Freedom s potential inability to obtain additional financing to complete the acquisition;

Freedom s limited pool of prospective target businesses, including if the acquisition fails to close;

the change in control of Freedom once the acquisition is consummated;

public securities limited liquidity and trading;

the delisting of Freedom s securities from the American Stock Exchange or an inability to have Freedom s securities listed on the American Stock Exchange, the New York Stock Exchange or another exchange following the consummation of the acquisition;

use of proceeds not in trust or available to Freedom from interest income on the trust account balance;

financial performance;

market conditions for GLG Funds;

performance of GLG Funds, the related performance fees and the associated impacts on revenues, net income, cash flows and fund inflows and outflows;

the cost of retaining GLG s key investment and other personnel or the loss of such key personnel;

risks associated with the expansion of GLG s business in size and geographically;

operational risk;

litigation and regulatory enforcement risks, including the diversion of management time and attention and the additional costs and demands on GLG s resources;

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risks associated with the use of leverage, investment in derivatives, interest rates and currency fluctuations;

costs related to the proposed acquisition;

failure to obtain the required approvals of Freedom s stockholders; and

risks that the closing of the transaction is substantially delayed or that the transaction does not close.

Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

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THE FREEDOM SPECIAL MEETING

The Freedom Special Meeting

Freedom is furnishing this proxy statement to you as part of the solicitation of proxies by the Freedom board of directors for use at the special meeting in connection with the proposed acquisition, the pre-closing and post-closing amendments to our certificate of incorporation, the adoption of the LTIP and the adjournment proposal.

Date, Time and Place

The special meeting will be held at :00 a.m./p.m., Eastern Time, on , 2007, at the offices of Greenberg Traurig, LLP, 200 Park Avenue, New York, New York 10166, to vote on each of the acquisition, the pre-closing and post-closing amendments to our certificate of incorporation, the adoption of the LTIP and, if necessary, the adjournment proposal.

Purpose of the Special Meeting

At the special meeting, the holders of Freedom common stock are being asked to:

approve the acquisition of GLG by Freedom pursuant to a purchase agreement by and among Freedom, FA Sub 1 Limited, FA Sub 2 Limited, FA Sub 3 Limited and the GLG Shareowners;

approve four proposals to amend the certificate of incorporation immediately prior to the consummation of the acquisition to:

change Freedom s name from Freedom Acquisition Holdings, Inc. to GLG Partners, Inc. ;

increase the number of authorized shares of Freedom capital stock from 201,000,000 shares to 1,150,000,000 shares, including:

increasing the authorized shares of Freedom common stock from 200,000,000 to 1,000,000,000 shares; and

increasing the authorized shares of Freedom preferred stock from 1,000,000 to 150,000,000 shares, of which it is expected that 58,904,993 shares (subject to adjustment) will be designated by the board of directors as a new series of Freedom preferred stock titled Series A voting preferred stock, which will be entitled to one vote per share and to vote as a single class with the common stock on all matters, but which will not be entitled to dividends or certain other distributions;

increase from the affirmative vote of a majority of the quorum present at the meeting or a majority of the outstanding shares of Freedom common stock, as the case may be, to the affirmative vote of at least 662/3% of the combined voting power of all outstanding shares of Freedom capital stock entitled to vote generally, voting together as a single class, the vote required for Freedom s stockholders to (1) adopt, alter, amend or repeal the by-laws, (2) remove a director (other than directors elected by a series of preferred stock of Freedom, if any, entitled to elect a class of directors) from office, with or without cause, and (3) amend, alter or repeal certain provisions of the certificate of incorporation which require a stockholder vote higher than a majority vote, including the amendment provision itself, or to adopt any provision inconsistent with those

provisions; and

amend certain other provisions of the certificate of incorporation relating to, among other things, Freedom s registered agent, the ability to call special meetings of stockholders, the scope of the indemnification of officers and directors and certain other ministerial amendments;

approve a proposal to amend the certificate of incorporation to remove, effective after the consummation of the acquisition, (1) certain provisions of Article Third and Article Fourth, paragraph B and (2) the entirety of Article Fifth of the certificate of incorporation, all of which relate to the operation of Freedom as a blank check company prior to the consummation of a business combination, and to add provisions regarding dividends and distributions;

approve the adoption of the LTIP; and

authorize the adjournment of the special meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event there are insufficient votes at the time of the special meeting to adopt the acquisition proposal, the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal or the incentive plan proposal.

Recommendation of the Freedom Board of Directors

The Freedom board of directors:

has unanimously determined that the proposed acquisition, amendments to our certificate of incorporation, adoption of the LTIP and adjournment proposal are fair to, and in the best interests of, Freedom and its stockholders;

has determined that the fair market value of GLG is equal to or greater than 80% of the value of the net assets of Freedom plus the proceeds of the co-investment by our sponsors (excluding underwriting discounts and commissions of approximately $18.0 million);

has unanimously approved and declared advisable the acquisition, the amendments to our certificate of incorporation, the adoption of the LTIP and the adjournment proposal; and

unanimously recommends that the holders of Freedom common stock vote FOR the acquisition proposal, the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal, the incentive plan proposal and, if necessary, the adjournment proposal.

In considering the recommendation of Freedom s board of directors to vote FOR the acquisition proposal, you should be aware that (1) all of Freedom s directors other than Mr. Morey (due to auditor independence issues) will continue to serve as directors of Freedom following the acquisition and will be compensated for such service, (2) if the acquisition is not approved and Freedom fails to consummate an alternative transaction within the time allotted, the shares of common stock and warrants held by Freedom s directors will be worthless because Freedom s directors are not entitled to receive any of the net proceeds of Freedom s initial public offering that may be distributed upon liquidation of Freedom and (3) if Freedom does not complete a business combination, Freedom s officers and directors will not receive reimbursement for expenses they incur that exceed Freedom s available cash.

Record Date; Who is Entitled to Vote

The record date for the special meeting is August , 2007. Record holders of Freedom common stock at the close of business on the record date are entitled to vote or have their votes cast at the special meeting. On the record date, there were 64,800,003 outstanding shares of Freedom common stock.

Each share of Freedom common stock is entitled to one vote per share at the special meeting. The holders of common stock acquired in its initial public offering or afterwards are free to vote such shares in their discretion.

Any shares of Freedom common stock purchased by its founders prior to its initial public offering will be voted in accordance with the majority of the votes cast at the special meeting and any shares of Freedom common stock purchased by its founders in or following the initial public offering will be voted in favor of the acquisition proposal. In addition, Berggruen Holdings and Marlin Equities, which beneficially own approximately 18.3% of the outstanding

shares of Freedom common stock, have entered into a founders agreement with certain of the GLG Shareowners that requires them to vote for the adoption of the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal, the incentive plan proposal and, if necessary, the adjournment proposal.

Freedom s issued and outstanding warrants do not have voting rights and record holders of Freedom warrants will not be entitled to vote at the special meeting.

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Voting Your Shares

Each share of Freedom common stock that you own in your name entitles you to one vote. Your proxy card shows the number of shares of Freedom common stock that you own.

There are two ways to vote your shares of Freedom common stock at the special meeting:

You can vote by signing and returning the enclosed proxy card. If you vote by proxy card, your proxy, whose name is listed on the proxy card, will vote your shares as you instruct on the proxy card. If you sign and return the proxy card, but do not give instructions on how to vote your shares, your shares will be voted, as recommended by the Freedom board, FOR the approval of the acquisition proposal, each of the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal, the incentive plan proposal and, if necessary, the adjournment proposal.

You can attend the special meeting and vote in person. Freedom will give you a ballot when you arrive. However, if your shares are held in the name of your broker, bank or another nominee, you must get a proxy from the broker, bank or other nominee. That is the only way Freedom can be sure that the broker, bank or nominee has not already voted your shares.

Who Can Answer Your Questions About Voting Your Shares

If you have any questions about how to vote or direct a vote in respect of your Freedom common stock, you may call at .

No Additional Matters May Be Presented at the Special Meeting

This special meeting has been called only to consider the approval of the acquisition, the pre-closing and post-closing amendments to Freedom s certificate of incorporation, the LTIP and the adjournment proposal. Under Freedom s by-laws, no other matters may be considered at the special meeting if they are not included in the notice of the meeting.

Revoking Your Proxy

If you give a proxy, you may revoke it at any time before it is exercised by doing any one of the following:

You may send another proxy card with a later date;

You may notify , addressed to Freedom, in writing before the special meeting that you have revoked your proxy; and

You may attend the special meeting, revoke your proxy and vote in person.

Vote Required

The affirmative vote of a majority of the shares of Freedom common stock outstanding as of the record date is required to approve the acquisition proposal, provided that the holders of less than 20% of the shares of Freedom common stock that were issued in its initial public offering vote against the acquisition proposal and elect a redemption of their shares.

Assuming the acquisition proposal is approved by Freedom stockholders, the affirmative vote of a majority of the shares of Freedom common stock outstanding as of the record date is required to approve each of the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal.

The adoption of the incentive plan proposal and the adjournment proposal will require the affirmative vote of a majority of the shares of Freedom common stock represented in person or by proxy and entitled to vote thereon at the special meeting.

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Abstentions and Broker Non-Votes

If you abstain from voting, it will have the same effect as a vote AGAINST : (1) the acquisition proposal (but will not have the effect of redeeming your shares for a pro rata portion of the trust account in which a substantial portion of the net proceeds of our initial public offering are held, unless an affirmative election voting against the proposal is made and an affirmative election to redeem such shares of common stock is made on the proxy card); (2) each of the pre-closing certificate amendment proposals; (3) the post-closing certificate amendment proposal; (4) the incentive plan proposal; and (5) the adjournment proposal.

A failure to vote by not returning a signed proxy card will have no impact upon the approval of the matters referred to in (4) and (5) above, but, as the acquisition proposal, each of the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal requires the affirmative vote of a majority of Freedom common stock, a failure to vote will have the effect of a vote against such acquisition and certificate amendments. Failure to vote will not have the effect of electing to redeem your shares for a pro rata portion of the trust account.

If your broker holds your shares in its name and you do not give the broker voting instructions, under the applicable stock exchange rules, your broker may not vote your shares on the acquisition proposal, the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal or the incentive plan proposal. If you do not give your broker voting instructions and the broker does not vote your shares, this is referred to as a broker non-vote . Abstentions and broker non-votes are counted for purposes of determining the presence of a quorum. Broker non-votes will have the same effect as votes AGAINST the acquisition proposal, each of the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal, but will not be counted towards the vote total for the incentive plan proposal. However, a broker non-vote that has the effect of voting against the acquisition proposal will not have the effect of electing to redeem your shares for a pro rata portion of the trust account.

Redemption Rights

Any stockholder of Freedom holding shares of common stock issued in its initial public offering (whether such shares were acquired pursuant to such initial public offering or afterwards) who votes against the acquisition proposal may, at the same time, elect that Freedom redeem its shares for a pro rata portion of the trust account. Stockholders who seek to exercise this redemption right must submit their vote against adoption of the acquisition proposal and their election to have Freedom redeem their shares for cash no later than immediately prior to the vote on the acquisition proposal at the special meeting. If so elected, Freedom will redeem these shares for a pro rata portion of funds held in the trust account, which consists of approximately $521.5 million, as of June 30, 2007 (and includes a substantial portion of the net proceeds from Freedom s initial public offering and sale of the sponsors warrants) plus interest earned thereon after such date, if the acquisition is consummated. If the holders of 20%, or 10,560,000, or more shares of Freedom common stock issued in our initial public offering vote against the acquisition proposal and elect to have Freedom redeem their shares into a pro rata portion of the trust account, Freedom will not be able to consummate the acquisition, regardless of whether a majority of the outstanding shares of Freedom common stock vote in favor of the acquisition proposal. Based on the amount of cash held in the trust account as of June 30, 2007, without taking into account any interest accrued after such date, you will be entitled to elect to have Freedom redeem each share of Freedom common stock that you hold for approximately $9.88 per share. If the acquisition is not consummated, Freedom will continue to search for a business combination and no stockholder will be redeemed. However, Freedom will be liquidated if (1) it does not consummate a business combination by June 28, 2008, or (2) a letter of intent, agreement in principle or definitive agreement is executed by June 28, 2008 but a business combination is not consummated by December 28, 2008. In any liquidation, the net proceeds of our initial public offering held in the trust account, plus any interest earned thereon, will be distributed on a pro rata basis to the holders of Freedom common stock who purchased their shares in Freedom s initial public offering or thereafter.

If you properly exercise your redemption rights, then you will be exchanging your redemption election shares for cash and will no longer own these shares. You will only be entitled to receive cash for these shares if you

continue to hold these shares through the closing date of the acquisition. You will be required, whether you are a record holder or hold your shares in street name , to either tender your certificates to our transfer agent at any time through the vote on the acquisition or to deliver your shares to the transfer agent electronically using Depository Trust Company s DWAC System, at your option. There is a nominal cost associated with this tendering process and the act of certificating the shares or delivering them through the DWAC system. The transfer agent will typically charge the tendering broker $35, and the broker may or may not pass this cost on to you.

You will have sufficient time from the time we send out this proxy statement through the time of the vote on the acquisition proposal to deliver your shares if you wish to exercise your redemption rights. This time period will vary depending on the specific facts of each transaction. However, as the delivery process can be accomplished by you, whether or not you are a record holder or your shares are held in street name , within a day, by simply contacting the transfer agent or your broker and requesting delivery of your shares through the DWAC System, we believe this time period is sufficient for an average investor.

Any request for redemption, once made, may be withdrawn at any time up to immediately prior to the vote on the acquisition proposal at the special meeting (or any adjournment or postponement thereof). Furthermore, if you delivered a certificate for redemption and subsequently decided prior to the meeting not to elect redemption, you may simply request that the transfer agent return the certificate (physically or electronically) to you.

The closing price of Freedom common stock on , 2007, the most recent trading day practicable before the date of this proxy statement, was $ and the amount of cash held in the trust account was approximately $521.5 million as of June 30, 2007, plus interest accrued thereon after such date. If you would have elected to exercise your redemption rights on such date, without taking into account any interest accrued after such date, then you would have been entitled to receive $9.88 per share. Prior to exercising redemption rights, you should verify the market price of Freedom common stock as you may receive higher proceeds from the sale of your common stock in the public market than from exercising your redemption rights. As of , 2007, the market price of $ per share was higher than the amount which would be received upon redemption.

Solicitation Costs

Freedom is soliciting proxies on behalf of the Freedom board of directors. This solicitation is being made by mail but also may be made by telephone or in person. Freedom and its officers and directors may also solicit proxies in person, by telephone or by other electronic means, and in the event of such solicitations, the information provided will be consistent with this proxy statement and enclosed proxy card. These persons will not be paid for soliciting proxies. Freedom will ask banks, brokers and other institutions, nominees and fiduciaries to forward its proxy statement materials to their principals and to obtain their authority to execute proxies and voting instructions. Freedom will reimburse them for their reasonable expenses. Freedom has engaged to solicit proxies for the special meeting. Freedom is paying approximately $ for solicitation services, which amount includes a $ fixed solicitation fee and a per call fee estimated in the aggregate to be equal to $.

Stock Ownership

Freedom s founders, including all its directors, and their respective affiliates, who purchased or received shares of common stock prior to its initial public offering and as of the record date, beneficially own an aggregate of approximately 18.5% of the outstanding shares of Freedom common stock. All of such stockholders have agreed (1) to vote their shares of common stock acquired prior to Freedom s initial public offering in accordance with the vote of the majority in interest of all other Freedom stockholders on the acquisition proposal and (2) to vote any shares of common stock purchased in our initial public offering FOR the acquisition proposal. In addition, Berggruen Holdings and Marlin Equities, which beneficially own approximately 18.3% of the outstanding shares of Freedom common

stock, have entered into a founders agreement with certain of the GLG Shareowners that requires them to vote FOR the adoption of the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal, the incentive plan proposal and, if necessary, the adjournment proposal.

All beneficial ownership information for Freedom common stock set forth in this proxy statement is based on the numbers of such shares beneficially owned as of August 1, 2007.

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THE ACQUISITION PROPOSAL

Proposal

Pursuant to the purchase agreement, dated as of June 22, 2007, by and among Freedom, certain wholly owned subsidiaries of Freedom and the GLG Shareowners, Freedom is proposing to acquire all of the outstanding equity interests of GLG Partners Limited, GLG Holdings Limited, Mount Granite Limited, Albacrest Corporation, Liberty Peak Ltd., GLG Partners Services Limited, Mount Garnet Limited, Betapoint Corporation, Knox Pines Ltd., GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited (each, an Acquired Company and collectively, the Acquired Companies). As a result of this acquisition, Freedom will own and operate the combined business and operations of the Acquired Companies and certain of their subsidiaries and affiliates, including GLG Partners LP, GLG Partners Services LP, Laurel Heights LLP and Lavender Heights LLP. The purchase price for the acquisition will be a combination of cash, promissory notes and capital stock of Freedom and certain Freedom subsidiaries, as described in further detail under The Acquisition General Purchase Price below. Freedom believes that the terms of the acquisition and the related agreements and transactions comply with the terms described in the prospectus relating to its initial public offering.

Interests of Freedom Directors and Officers in the Acquisition

In considering the recommendation of the board of directors of Freedom to vote FOR the acquisition proposal, you should be aware that all of the members of the Freedom board have agreements or arrangements that provide them with interests in the acquisition that differ from, or are in addition to, those of Freedom stockholders generally. In particular:

- if the acquisition is not approved and Freedom fails to consummate an alternative transaction within the time allotted pursuant to its certificate of incorporation and Freedom is therefore required to liquidate, the shares of common stock and warrants held by Freedom s founders will be worthless because Freedom s founders are not entitled to receive any of the net proceeds of Freedom s initial public offering that may be distributed upon liquidation of Freedom. Freedom s founders beneficially own a total of 12,000,003 shares of Freedom common stock that have a market value of $ based on Freedom s share price of $ as of , 2007. Freedom s sponsors also beneficially own warrants to purchase 16,500,003 shares of Freedom common stock that have a market value of $ based on Freedom s warrant price of $ as of , 2007. However, as Freedom s founders are contractually prohibited from selling their shares of Freedom common stock prior to June 28, 2008, during which time the value of the shares may increase or decrease, it is impossible to determine what the financial impact of the acquisition will be on Freedom s founders; and

- it is currently anticipated that Nicolas Berggruen, Martin E. Franklin, James N. Hauslein and William P. Lauder, each of whom is a current director of Freedom, will continue as directors of Freedom.

The table below shows the amount that the units (consisting of shares and warrants) and the warrants beneficially owned by the directors and officers of Freedom (after giving effect to the co-investment by Freedom s sponsors) would be worth upon consummation of the acquisition and the unrealized profit from such securities based on an assumed market price of the units and the warrants of Freedom of $ and $, respectively.

	Units(a)				Warrants(b)			
	Beneficially Owned	Amount Paid	Value	Unrealized Profit	Beneficially Owned	Amount Paid	Value	Unrealized Profit
Nicolas Berggruen	8,423,200	$ 2,512,340	$	$	2,250,000	$ 2,250,000	$	$
Martin E. Franklin	8,423,200	2,512,340			2,250,000	2,250,000		
James N. Hauslein	51,201	106						
William P. Lauder	51,201	106						
Herbert A. Morey	51,201	106						
Jared Bluestein								
Total	17,000,003	$ 5,024,998	$	$	4,500,000	$ 4,500,000	$	$

(a) The purchase price per unit for the founders units was $0.00208 per unit and for the co-investment units is $10.00 per unit. Each of these stockholders has agreed, subject to exceptions, not to transfer, assign or sell these shares until one year after we consummate a business combination.

(b) Excludes warrants included in the units.

Freedom s Reasons for the Acquisition and Recommendation of the Freedom Board

Freedom has been in search of a business combination partner since its initial public offering occurred in December 2006. Freedom s board of directors believes that GLG presents a unique opportunity for Freedom. Freedom s board of directors is attracted to GLG because of its variety of investment products, its advisory services, growth prospects and investment management team, among other factors. As a result, Freedom believes that the acquisition of GLG will provide Freedom stockholders with an opportunity to acquire, and participate in, a company with significant growth potential, particularly as its business continues to grow and expand into the United States and other dynamic global markets.

Acquisition Financing

In order to finance the acquisition of GLG, Freedom will (1) use up to $553.5 million of the proceeds from its initial public offering (after giving effect to the $50.0 million co-investment by its sponsors) and (2) borrow up to $570.0 million from a third-party lender to obtain the $1.0 billion in cash (less the amount of Notes issued) necessary to pay the cash portion of the purchase price to the GLG Shareowners. The available cash will be reduced by amounts necessary to pay for any redemption rights exercised by Freedom stockholders.

FA Sub 3 Limited has obtained a commitment from Citigroup Global Markets, Inc., on behalf of itself and its affiliates, to provide, subject to customary conditions, a non-amortizing revolving credit facility for up to $570.0 million to finance the acquisition, including purchase price adjustments, paying transaction costs and repaying

existing GLG indebtedness. The revolving loans will be guaranteed by Freedom and certain of its subsidiaries (including certain Acquired Companies, but excluding certain regulated entities) and will be secured by a first priority pledge of all notes and capital stock owned by FA Sub 3 Limited and the guarantors and a first priority security interest in all or substantially all other assets owned by FA Sub 3 Limited and the guarantors. The revolving credit facility will expire on August 1, 2008 and, on that date, FA Sub 3 Limited will have the option to convert the outstanding revolving loan amounts into a term loan maturing three years from the closing date of the acquisition. The loans will bear interest at one of two floating interest rates, at the election of FA Sub 3 Limited, based on a fixed margin over the specified base floating rate for the first two

fiscal quarters after the closing of the acquisition and, thereafter, based on a margin over the specified base floating rate determined by reference to certain financial ratios of Freedom and its consolidated subsidiaries.

Appraisal or Dissenters Rights

No appraisal or dissenters rights are available under the DGCL for the stockholders of Freedom in connection with the acquisition proposal.

U.S. Federal Income Tax Consequences of the Acquisition

As the stockholders of Freedom are not receiving any consideration or exchanging any of their outstanding securities in connection with the acquisition of GLG, and are simply being asked to vote on the matters, the stockholders will not have any U.S. tax related issues as a result of voting on these matters, except that U.S. persons who own 10% or more (actually and/or constructively) of the total combined voting power of all classes of Freedom voting stock may on the sale of the stock be subject to U.S. tax at ordinary income tax rates (rather than at capital gain tax rates) on the portion of their taxable gain attributed to undistributed offshore earnings. See Risk Factors Risks Related to Taxation . If you vote against the acquisition proposal, elect a redemption of your shares of Freedom for your pro rata portion of the trust account and the acquisition is consummated and as a result you receive cash in exchange for your Freedom common stock, there may be certain tax consequences, such as possibly realizing a loss on your investment in Freedom common stock. No tax opinion will be obtained in connection with the acquisition. **WE URGE YOU TO CONSULT YOUR OWN TAX ADVISORS REGARDING YOUR PARTICULAR TAX CONSEQUENCES.**

Regulatory Matters

The acquisition and the transactions contemplated by the purchase agreement are not subject to any U.S. federal or state regulatory requirement or approval, except for filings, if any, that may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and filings necessary to effectuate the transactions contemplated by the acquisition proposal, the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal with the Secretary of State of the State of Delaware, and filings for the proposed listing on the New York Stock Exchange.

In the United Kingdom, the FSMA requires that any person who proposes to take a step that would result in his acquiring control (as such term is defined in the FSMA) over a U.K. authorized person (such as GLG Partners LP) must notify the FSA and obtain the FSA s prior approval to the proposal. The FSA has three months in which to rule upon such an application. The notice and application for approval was filed with the FSA on August , 2007.

The prior approval of the IFSRA will be required for the change in ownership of GLG Partners Asset Management Limited which acts as manager of the GLG Funds authorized in Ireland and for the change in ownership of GLG Partners LP, which acts as promoter and investment manager of the GLG Funds authorized in Ireland. The application for approval was filed with IFSRA on August , 2007.

The prior approval of CIMA will be required for the change in ownership of GLG Partners (Cayman) Limited, which acts as manager of the GLG Funds incorporated in the Cayman Islands. Although no prior approval is required, notification of the change in ownership of GLG Partners Services LP and GLG Partners Services Limited will be required to be provided to the Cayman Islands Trade and Business Licencing Board following the acquisition and the transactions contemplated by the purchase agreement. The application for approval was filed with CMA on August , 2007.

Necessity of Stockholder Approval

Because of provisions in Freedom s certificate of incorporation and the fact that the acquisition proposal involves the issuance by Freedom of shares of common stock that would represent more than 20% of our currently outstanding common stock, stockholder approval of the acquisition proposal is required to maintain our listing on the American Stock Exchange. The number of shares of Freedom common stock outstanding on June 30, 2007 was 64,800,003. The purchase agreement provides for the issuance of 230,000,000 shares of

Freedom common stock for the acquisition of the Acquired Companies and such issuance is greater than the American Stock Exchange 20% limitation. Pursuant to the purchase agreement, a condition to issuance of additional shares is the approval of the authorized share proposal. Accordingly, if the authorized share proposal is not approved, then the acquisition will not be completed.

Consequences If Acquisition Proposal Is Not Approved

If the acquisition proposal is not approved by the stockholders, Freedom will not acquire GLG and Freedom will continue to seek other potential business combinations. The board of directors of Freedom may abandon each of the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal, notwithstanding stockholder approval of such proposals, without further action by Freedom s stockholders, if the acquisition proposal is not approved. We anticipate that the Freedom board of directors will abandon each of the pre-closing and post-closing certificate amendments and not consummate the incentive plan proposal if the acquisition proposal is not approved. In such an event, there is no assurance, and management of Freedom believes, that it is unlikely that Freedom will have the time, resources or capital available to find a suitable business combination partner before (1) the proceeds in the trust account are liquidated to holders of shares purchased in its initial public offering and (2) Freedom is dissolved pursuant to the trust agreement and in accordance with Freedom s certificate of incorporation.

Required Vote

Approval of the acquisition proposal will require the affirmative vote of a majority of the outstanding shares of Freedom common stock at the record date. In addition, each Freedom stockholder that holds shares of common stock issued in its initial public offering has the right to vote against the acquisition proposal and, at the same time, elect that Freedom redeem such stockholder s shares for cash equal to a pro rata portion of the trust account in which a substantial portion of the net proceeds of our initial public offering is deposited. These shares will be redeemed for cash only if the acquisition is completed and the stockholder requesting redemption holds such shares until the date the acquisition is consummated. However, if the holders of 10,560,000 or more shares of Freedom common stock issued in our initial public offering, an amount equal to 20% or more of the total number of shares issued in our initial public offering, vote against the acquisition and elect redemption of their shares for a pro rata portion of the trust account, then Freedom will not be able to consummate the acquisition, regardless of whether a majority of the outstanding shares of Freedom common stock vote in favor of the acquisition proposal. Abstentions and broker non-votes will have the same effect as a vote against the acquisition proposal.

Recommendation

The board of directors has determined unanimously that the acquisition is fair to, and in the best interests of, Freedom and its stockholders and that it is in the best interests of Freedom that the stockholders approve the acquisition proposal.

The foregoing discussion of the information and factors considered by the Freedom board of directors is not meant to be exhaustive, but includes the material information and factors considered by the Freedom board of directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE ACQUISITION PROPOSAL. WHEN YOU CONSIDER THE RECOMMENDATION OF FREEDOM S BOARD OF DIRECTORS, YOU SHOULD KEEP IN MIND THAT CERTAIN OF GLG S PRINCIPALS, THEIR TRUSTEES AND GLG KEY PERSONNEL AND FREEDOM S DIRECTORS AND OFFICERS HAVE INTERESTS IN THE ACQUISITION THAT ARE DIFFERENT FROM, OR IN ADDITION TO, YOUR INTERESTS AS A STOCKHOLDER, WHICH ARE DESCRIBED ELSEWHERE IN THIS PROXY STATEMENT.

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THE ACQUISITION

General

The Freedom Group is acquiring all the outstanding equity interests of the Acquired Companies, through a series of related transactions, in exchange for cash, stock and debt, as described below. In this proxy statement, we refer to the equity interest of the Acquired Companies that the Freedom Group will acquire as the Purchased Shares . In some cases, the Acquired Companies are holding companies, without independent operations, and in other cases they are operating businesses. We use the term GLG to refer to the business and operations of all the Acquired Companies and their subsidiaries and affiliates that will be directly or indirectly acquired by the Freedom Group. We use the term GLG Funds to refer to the investment funds that GLG manages, operates and advises. The GLG Funds are not Acquired Companies or otherwise treated as assets that the Freedom Group will acquire under the purchase agreement. Freedom will not acquire all the outstanding equity interests of certain subsidiaries and affiliates of the Acquired Companies, nor will it own GLG Inc. as a result of the acquisition.

Purchase Price

The purchase price for GLG is approximately $3.4 billion, based on the closing price of Freedom common stock on June 22, 2007, subject to adjustment as described below. The initial purchase price will be paid as follows:

Cash: Up to $1.0 billion of the purchase price will be paid in cash. The actual amount will depend on the extent to which Sage Summit LP and Lavender Heights Capital LP elect to have a portion of the purchase price paid in Notes (as described below). The amount of cash paid will be reduced, dollar-for-dollar, by the principal amount of any Notes issued to pay the purchase price. The cash portion of the purchase price will be funded by a combination of borrowing by FA Sub 3 Limited under a bank credit facility (up to $570.0 million) and existing cash proceeds from the initial public offering of Freedom (up to $553.5 million). The available cash will be reduced by amounts necessary to pay for any redemption rights exercised by Freedom stockholders. See Agreements Related to Acquisition Credit Facility .

Notes: A portion of the purchase price may be paid (at the option of Sage Summit LP and Lavender Heights Capital LP) by issuing Notes of FA Sub 1 Limited.

Capital Stock: The balance of the purchase price will be paid by issuing capital stock of Freedom and securities of Freedom subsidiaries that are exchangeable for, or subject to put or call rights payable in, shares of Freedom common stock. For a description of the principal terms of the securities that will be issued in connection with the acquisition of GLG, see The Authorized Share Proposal Description of Capital Stock . This combination of securities will give GLG Shareowners and employees and key personnel of GLG voting and economic rights approximately equal to 230,000,000 shares of Freedom common stock, as described below. Of this number, the approximate equivalent of 220,000,000 shares of Freedom common stock will be issued to GLG Shareowners in consideration for the Purchased Shares and 10,000,000 shares of Freedom common stock (in the aggregate) will be issued at closing to one or more trusts or subsidiaries of Freedom that will hold the shares for the benefit of GLG s employees, key personnel and certain other individuals or use the shares to acquire certain limited partnership interests issued to Lavender Heights LLP and Laurel Heights LLP. See The Purchase Agreement Structure of the Acquisition .

The purchase price will be subject to adjustment in certain events, both before and after the acquisition as described below. See The Purchase Agreement Purchase Price .

In addition to paying the purchase price and issuing shares to GLG s employees, key personnel and certain other individuals, Freedom plans to establish an equity-based long-term incentive plan, the LTIP, for officers, directors, employees, service providers and other contributors to GLG s business. Freedom plans to reserve

approximately shares of Freedom common stock for stock options or other equity-based awards under the LTIP.

After giving effect to the acquisition and related transactions, the GLG Shareowners, GLG employees and GLG key personnel who receive securities in connection with the acquisition will, collectively, own securities that would (if fully converted or exchanged) represent approximately % of Freedom s common stock on a fully diluted basis (exclusive of any stock-based awards that may be granted under the LTIP).

In addition, Freedom and GLG estimate that they will incur direct transaction costs of approximately $36 million associated with the acquisition, which will be included as a part of the total purchase cost for accounting purposes if the acquisition is completed.

Acquisition Structure

Freedom will purchase GLG through newly organized, wholly owned subsidiaries, FA Sub 1 Limited, FA Sub 2 Limited and FA Sub 3 Limited, in a series of transactions as described below. See The Purchase Agreement Structure of the Acquisition . Following the acquisition of 100% of the equity interests in the Acquired Companies, all of GLG s operations will continue to be conducted by, and all of GLG s assets which constituted the GLG business prior to the acquisition will continue to be held by, the Acquired Companies. Following the acquisition, Freedom will change its name to GLG Partners, Inc. and will be a holding company with the following structure:

GLG Partners, Inc. will hold 100% of the ordinary shares of FA Sub 1 Limited, assuming that all of the FA Sub 1 Limited ordinary shares issued at the closing to Sage Summit LP and Lavender Heights Capital LP subject to the put/call arrangement are exchanged following the closing of the acquisition for Freedom common stock. The purpose of FA Sub 1 Limited is to be the holding company for all the non-U.S. entities that conduct GLG s business.

FA Sub 1 Limited will hold 100% of the Class A ordinary shares of FA Sub 2 Limited, and the Trustee for the Gottesman GLG Trust will own 100% of the Exchangeable Shares of FA Sub 2 Limited, the company through which the Trustee of the Gottesman GLG Trust will hold its continuing interest in the Acquired Companies. The purpose of FA Sub 2 Limited is to be the holding company for the GLG businesses that are subject to the regulatory authority of the Cayman Islands.

FA Sub 2 Limited will hold 100% of the ordinary shares of FA Sub 3 Limited. The purpose of FA Sub 3 Limited is to be the holding company for the GLG businesses that are subject to the regulatory authority of the European Union, the United Kingdom, Ireland, Luxembourg and other European regulatory authorities.

As part of the acquisition transaction, Freedom will also acquire the capital interests in certain GLG entities held by Sage Summit LP and Lavender Heights Capital LP through Liberty Peak Ltd. and Knox Pines Ltd. Through these capital interests, certain of GLG s key personnel participate in GLG s equity participation plan entitling them, in the aggregate, to acquire 15% of the cash and stock consideration to be paid to the GLG Shareowners in the acquisition, subject to certain vesting requirements. The cash and shares of stock will be held by Sage Summit LP and Lavender Heights Capital LP for the benefit of these key personnel until they have vested.

There are certain interests in GLG that Freedom will not acquire in connection with the acquisition. First, Freedom will not be acquiring certain membership interests in Laurel Heights LLP and Lavender Heights LLP held by GLG s key personnel participating in the limited partner profit share arrangement. Freedom also will not acquire certain limited partnership interests in GLG Partners Services LP held by two of GLG s key personnel, Steven Roth and Greg Coffey (through Saffron Woods Corporation), who participate in the limited partner profit share arrangement, but who

are not members of Lavender Heights LLP, one of the LLPs described above. The limited partner profit share arrangement is the primary means through which these non-employee key personnel are compensated for their services to GLG and these profit share interests will continue to remain outstanding after the acquisition. None of the Principals participates in the limited partner profit share arrangement. The limited partner profit shares for these key personnel are paid as distributions

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from GLG s net income in amounts determined at the discretion of GLG s management and will be determined before distributions to GLG Partners, Inc. In addition, the Trustee of the Gottesman GLG Trust will hold FA Sub 2 Limited Exchangeable Shares entitling the holder to receive certain special distributions by FA Sub 2 Limited that shareholders of GLG Partners, Inc. will not be entitled to participate in. Freedom will not acquire GLG Holdings Inc. and GLG Inc. in the acquisition, but expects to acquire these entities after consummation of the acquisition pursuant to a purchase agreement with GLG. Accordingly, after completion of the acquisition, amounts distributed in respect of these limited partner profit shares and FA Sub 2 Exchangeable Shares will not be available for distribution to shareholders of GLG Partners, Inc. As a result of these distributions, the management, administration and performance fees earned by GLG will not necessarily flow to the GLG Partners, Inc. shareholders in amounts proportionate to their beneficial ownership of shares of GLG Partners, Inc. Instead, the amounts available for distribution to GLG Partners, Inc. shareholders will be reduced by the amounts received by GLG s key personnel as limited partner profit share and by the holder of FA Sub 2 Limited Exchangeable Shares as special distributions.

For more information about the organizational structure of GLG, see Organizational Structure .

The following diagram shows the corporate structure of Freedom and its subsidiaries immediately after the acquisition and related transactions.

Key:

Albacrest:	Albacrest Corporation
Betapoint:	Betapoint Corporation
GHL:	GLG Holdings Limited
GLGPL:	GLG Partners Limited
Gottesman Trust:	Gottesman GLG Trust
GPAM:	GLG Partners Asset Management Limited
GPCL:	GLG Partners (Cayman) Limited
GPICL:	GLG Partners International (Cayman) Limited
GPC:	GLG Partners Corporation
GPLP:	GLG Partners LP
GPS:	GLG Partners Services Limited
GPS LP:	GLG Partners Services LP
Knox Pines:	Knox Pines Ltd.
Laurel Heights:	Laurel Heights LLP
Lavender Heights:	Lavender Heights LLP
Liberty Peak:	Liberty Peak Ltd.
Mount Garnet:	Mount Garnet Limited
Mount Granite:	Mount Granite Limited
Saffron Woods:	Saffron Woods Corporation
Steven Roth:	a GLG key personnel

* Represents profits interests of participants in GLG s limited partner profit share arrangement that are not being acquired by Freedom in the acquisition.

These entities hold capital interests and discretionary profits interests in GPS LP.

This entity holds capital interests and discretionary profits interests in GPLP.

Background of the Acquisition

Over the past several years, GLG has periodically reviewed its long-term strategic plans and evaluated a number of alternatives, including a potential sale of the business, a strategic alliance or business combination with a third party or an initial public offering. In January 2007, GLG engaged Perella Weinberg Partners LP as its financial adviser in connection with exploring various strategic alternatives available to GLG.

Working with its financial adviser, GLG prepared a confidential information memorandum containing a description of its business and historical financial information, and identified a select list of leading, primarily U.S. based, financial services institutions to approach with regard to a possible business combination or strategic partnership. Beginning in mid-January 2007, GLG s financial adviser, on behalf of GLG, approached

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this group of institutions. Subsequently, GLG entered into confidentiality agreements with some of these institutions and provided them with the confidential information memorandum.

From mid-February until early April, 2007, GLG, with the assistance of GLG s financial adviser, met with representatives from the institutions which had expressed interest to discuss possible transactions. GLG received preliminary indications of interest from several of these institutions.

Nicolas Berggruen, President and Chief Executive Officer of Freedom, was aware of GLG s reputation by virtue of being an investor in one of the GLG Funds, as well as having known Noam Gottesman, Co-Chief Executive Officer of GLG, for approximately five years. Mr. Gottesman was familiar with Mr. Berggruen s past investment success and, as a result of this track record, certain GLG Funds purchased Freedom units totalling 407,615 shares of common stock and 407,615 warrants.

Mr. Berggruen recognized the potential merits to GLG that would arise if GLG were a public company and, on several occasions beginning in late February, 2007, suggested to Mr. Gottesman the idea of a possible business combination.

On March 8, 2007, Messrs. Gottesman and Berggruen met in London, England to discuss the possibility of a business combination between GLG and Freedom.

On March 9, 2007, GLG and Freedom entered into a non-disclosure agreement, following which GLG s financial adviser delivered the confidential information memorandum to Freedom.

On March 30, 2007, Freedom s counsel, GLG s counsel, representatives of GLG s financial adviser and Jared Bluestein, a representative of Berggruen Holdings, participated in a conference call during which the preliminary structure and terms of a transaction were initially discussed.

On April 5, 2007, Mr. Berggruen and Martin Franklin, Chairman of the Board of Freedom, met with GLG s Principals in New York City to discuss high level deal terms and process and timing issues in connection with a possible transaction. At the conclusion of that meeting, the Principals were joined by their respective legal counsels and GLG s financial adviser to discuss more specific structure and timing issues.

On April 9, 2007, Freedom delivered a term sheet to GLG s counsel and GLG s financial adviser.

On April 10, 2007, GLG s counsel, GLG s financial adviser and Freedom s counsel met in New York City to discuss the term sheet and other items relating to a possible business combination.

On April 11, 2007, Freedom s counsel delivered a revised term sheet to GLG s counsel and GLG s financial adviser reflecting certain changes discussed at the previous day s meeting.

On April 16, 2007, Messrs. Gottesman and Berggruen met again to discuss certain high level deal issues, including the proposed consideration for a possible transaction.

On April 20, 2007, Freedom s board of directors held a telephonic meeting during which, among other things, Messrs. Berggruen and Franklin updated the board on the status of a possible transaction.

On May 16, 2007, GLG s counsel, Freedom s counsel and GLG s financial adviser met in New York City to discuss the structure of a proposed business combination, with a particular focus on the need to restructure GLG s business to fit under the ownership of a U.S. public company.

On May 18, 2007, GLG s counsel distributed a preliminary draft of a step plan of the transaction (including a reorganization of the various GLG entities) to the working group for its review and comment.

On May 23, 2007, Freedom s board of directors held a telephonic meeting during which Mr. Franklin updated the board on the status of a possible transaction.

On May 30, 2007, the Principals and management of GLG made a presentation to Freedom s board of directors and Freedom s counsel.

On June 4, 2007, GLG s counsel provided to Freedom s counsel a draft purchase agreement providing, among other things, for the acquisition by Freedom of the equity interests in the Acquired Companies.

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During the week of June 4, 2007, representatives of Freedom and GLG, in addition to Freedom s counsel and GLG s counsel, met in London, England to negotiate and draft the purchase agreement, related transaction documents and the proxy statement. GLG s financial adviser was also present to assist in the negotiations.

During the week of June 12, 2007, counsel for Freedom and counsel for GLG continued to exchange drafts of the purchase agreement and related transaction documents, as well as engage in negotiations relating to such drafts. In addition, counsel for Freedom and counsel for GLG exchanged initial drafts of the shareholders agreement, founders agreement and support agreement.

On June 15, 2007, Freedom s counsel distributed to Freedom s board of directors materials that included, among other things, a description of the terms of the proposed transaction and drafts of the transaction documents.

On June 19, 2007, the board of directors of Freedom held a board meeting during which Mr. Franklin updated the board on the status of the proposed transaction. In addition, counsel for Freedom gave a detailed presentation of the terms of the proposed transaction, transaction documents and a summary of the due diligence of GLG undertaken by such counsel.

From June 20 through June 22, 2007, representatives of Freedom and GLG, including Freedom s counsel, GLG s counsel and GLG s financial adviser, met in London, England to continue negotiations and the drafting of the purchase agreement and related transaction documents, including the shareholders agreement, founders agreement and support agreement. Counsel for Freedom and counsel for GLG exchanged initial drafts of the voting agreement, agreement among principals and trustees, exchangeable security holders agreement and shares exchange agreement.

On June 22, 2007, the board of directors of Freedom held a board meeting during which Mr. Franklin updated the board on the status of the proposed transaction and stated that negotiations were substantially complete. Counsel for Freedom then reviewed the latest changes to the terms of the proposed transaction. The board of directors of Freedom, by a unanimous vote, determined that the fair market value of GLG is in excess of 80% of Freedom s net assets plus the proceeds of the co-investment by our sponsors (excluding underwriting discounts and commissions of approximately $18.0 million) and approved and declared advisable the acquisition, the pre-closing and post-closing certificate amendments and the LTIP, subject to any changes approved by Freedom s officers, and resolved to recommend that Freedom s stockholders vote in favor of the proposals at a special meeting to be held to vote on the proposals.

Representatives of Freedom and GLG, along with Freedom s counsel and GLG s counsel, then continued to negotiate and finalize the remaining issues in the purchase agreement and related transaction documents. During the evening of June 22, 2007, after the financial markets closed in New York, the purchase agreement and related transaction documents were completed and executed by the parties thereto. Prior to the opening of the financial markets in London and New York on June 25, 2007, Freedom agreed to engage Citigroup Global Markets Inc. to serve as its financial adviser, and GLG and Freedom issued a joint press release announcing the transaction.

During the negotiations between Freedom and GLG, the members of Freedom s audit committee were provided updates by Nicolas Berggruen, Martin Franklin and Freedom s counsel. At one meeting in which Messrs. Berggruen and Franklin did not participate, the management of GLG made a full business presentation to the members of the audit committee and counsel to Freedom. In connection with its approval of the transaction, the audit committee confirmed its view that the transaction complied with the original terms and conditions contained in the prospectus relating to Freedom s initial public offering.

Recommendation of the Freedom Board

Freedom s board of directors, having concluded that the acquisition of GLG is fair to, and in the best interests of, Freedom and its stockholders, unanimously approved the acquisition and all transactions and documents necessary to its consummation.

Freedom has been in search of a business combination partner since its initial public offering occurred in December 2006 and Freedom s board of directors considered a wide variety of factors in connection with its evaluation and recommendation to approve the acquisition. In arriving at its determination to approve the acquisition and its terms, Freedom s board of directors relied on an analysis and/or review of a number of factors, including, but not limited to:

GLG s variety of investment products, its advisory services, growth prospects and investment management team, which Freedom s board of directors believes will provide Freedom s stockholders with a unique opportunity to acquire, and participate in, a company with significant growth potential, particularly as its business continues to grow and expand into the United States and other dynamic global markets.

The quality and strength of GLG s management team.

Information with respect to the financial condition, results of operations and businesses of GLG, on both a historical and prospective basis. Freedom s board of directors believes that GLG has in place a strong brand, a proven ability to grow its operations and the infrastructure for additional growth. GLG has experienced significant growth in its gross assets under management (including assets invested from other GLG Funds) to approximately $21.5 billion as of June 30, 2007, up from approximately $3.9 billion as of December 31, 2001, representing a compound annual growth rate of 36%. In addition, as of June 30, 2007, GLG s net assets under management (net of assets invested from other GLG Funds) were approximately $18.6 billion, up from approximately $3.9 billion as of December 31, 2001, representing an annual compound growth rate of 33%.

The pro forma effect of the issuance of 230,000,000 shares of Freedom common stock pursuant to the acquisition on Freedoms s earnings per share.

The ability of GLG to expand its business both in existing and new markets. GLG s management believes that there are significant opportunities to expand GLG s business into the United States and other dynamic global markets, as well as opportunities to expand GLG s business in its existing markets.

The belief that the acquisition of GLG is preferable to any other available transaction to enhance stockholder value.

Freedom s board of directors believes that each of the above factors supported its determination and recommendation to approve the acquisition. In addition, Freedom s board of directors reviewed a number of additional factors in evaluating the acquisition of GLG, including, but not limited to, the following:

The regulatory environment for GLG and its businesses.

The terms and conditions of the acquisition and the purchase agreement and related transaction documents.

The results of Freedom s legal, financial and accounting due diligence review of GLG.

Freedom s board of directors also considered the following potentially negative factors, among others, including the Risk Factors, in its deliberations concerning the acquisition:

The competitive nature of the alternative asset management industry in general, and GLG s markets in particular, including the likelihood of industry consolidation and increased competition.

The possibility that the benefits anticipated from the acquisition might not be achieved or might not occur as rapidly or to the extent currently anticipated.

The risk that GLG might not perform on a prospective basis as well as it has performed historically.

The risk that the current public stockholders of Freedom would vote against the acquisition and demand to redeem their shares for cash upon consummation of the acquisition, thereby depleting the amount of cash available to complete the acquisition. Because of the funds being borrowed under the credit

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facility, the fact that the majority of the consideration in the acquisition consists of shares of Freedom s common stock and other factors, Freedom s board of directors deemed this risk to be less with regard to GLG than it would be for other target companies and Freedom will be able to complete the acquisition even if the maximum number of Freedom stockholders exercise their redemption rights.

The fact that certain officers and directors of Freedom may have interests in the merger that are different from, or are in addition to, the interests of Freedom stockholders generally, including the matters described under Interests of Freedom Directors and Officers in the Acquisition above.

The limitations on indemnification set forth in the purchase agreement. See The Purchase Agreement Indemnification.

For a discussion of the existing risk factors and their possible effect on the success of the acquisition, see Risk Factors .

In the view of Freedom s board of directors, these potentially countervailing factors did not, individually or in the aggregate, outweigh the advantages of the acquisition.

The foregoing discussion of the information and factors considered by Freedom s board of directors is not intended to be exhaustive, but includes the material factors considered by Freedom s board of directors. In view of the variety of factors considered in connection with its evaluation of the acquisition, Freedom s board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given differing weights to different factors. After weighing all of the different factors, Freedom s board of directors unanimously approved the purchase agreement and the related transactions and recommends that Freedom s stockholders approve the acquisition proposal.

THE PURCHASE AGREEMENT

The following summary of the material provisions of the purchase agreement is qualified by reference to the complete text of the purchase agreement, a copy of which is attached as Annex A to this proxy statement and incorporated herein by reference. All stockholders are encouraged to read the purchase agreement in its entirety for a more complete description of the terms and conditions of the acquisition.

The description of the purchase agreement has been included solely to provide investors and security holders with information regarding its terms. While we have publicly disclosed the purchase agreement and its terms by incorporating the purchase agreement into this proxy statement, the representations and warranties made in the purchase agreement may not accurately characterize the current actual state of facts with respect to Freedom or GLG because they were made only for purposes of such agreement and as of the specific dates set forth therein and may be subject to important exceptions, qualifications, limitations and supplemental information agreed upon by the contracting parties, including being qualified by disclosures made in confidential disclosure schedules delivered by the contracting parties in connection with negotiating the purchase agreement. Moreover, some of those representations and warranties may have been used for the purposes of allocating contractual risk between the parties to the purchase agreement, instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to public filings made with the SEC. Investors and security holders are not third-party beneficiaries under the purchase agreement. Current factual information about Freedom and GLG can be found elsewhere in this proxy statement and in the public filings that Freedom makes with the SEC, which are available without charge at www.sec.gov. Freedom and GLG acknowledge that if specific material facts exist that contradict the representations and warranties in the purchase agreement, corrective disclosure has been provided in this proxy statement.

Structure of the Acquisition

At the closing of the acquisition, FA Sub 1 Limited, FA Sub 2 Limited and FA Sub 3 Limited, each a newly formed, wholly owned subsidiary of Freedom, will acquire all outstanding equity interests of the Acquired Companies, in exchange for cash, stock and debt as described below. The acquisition has been structured to achieve a number of business, regulatory, tax and other objectives of the Freedom Group and the GLG Shareowners. It will involve a series of transactions that include the following steps:

FA Sub 1 Limited Acquires Designated Shares. FA Sub 1 Limited will acquire the Purchased Shares issued by Liberty Peak and Knox Pines (which are referred to as Designated Shares), in exchange for:

- 33,000,000 ordinary shares of FA Sub 1 Limited; and

- $150,000,000 paid in cash and/or Notes.

The ordinary shares of FA Sub 1 Limited will be issued subject to a shares exchange agreement that will be entered into between the holders of those ordinary shares and Freedom. Among other things, the shares exchange agreement will give:

- holders of those ordinary shares the right to require Freedom to buy the ordinary shares at any time, solely in exchange for Freedom common stock, with one share of Freedom common stock paid to buy each ordinary share; and

Freedom the right at any time to buy any of those ordinary shares that remain outstanding after the closing date for the acquisition, solely in exchange for Freedom common stock, with one share of Freedom common stock issued to buy each ordinary share.

It is contemplated that all ordinary shares of FA Sub 1 Limited will be exchanged for Freedom common stock promptly after the acquisition, either at the request of the holders of the ordinary shares or Freedom and, therefore, FA Sub 1 Limited will be wholly owned by Freedom.

After FA Sub 1 Limited acquires the Designated Shares, they will be transferred, directly or indirectly, to FA Sub 3 Limited as a capital contribution.

FA Sub 3 Limited Acquires UK Shares. FA Sub 3 Limited will acquire the Purchased Shares issued by eight of the Acquired Companies associated with GLG s business in the United Kingdom and Ireland (which are referred to as UK Shares), in exchange for:

80,460,285 shares of Freedom common stock;

35,383,948 shares of Freedom Series A preferred stock;

35,383,948 Exchangeable Shares issued by FA Sub 2 Limited; and

$526,564,696 in cash.

FA Sub 3 Limited will use proceeds of a loan made to it under the credit facility to fund the cash portion of the purchase price for the UK Shares.

FA Sub 2 Limited Acquires All Other Purchased Shares. FA Sub 2 Limited will acquire all of the Purchased Shares, other than Designated Shares and UK Shares, in exchange for:

47,634,722 shares of Freedom common stock;

23,521,045 shares of Freedom Series A preferred stock;

23,521,045 Exchangeable Shares issued by FA Sub 2 Limited; and

$323,435,304 in cash.

All of the share and dollar amounts referred to above are subject to change under purchase price adjustment provisions in the purchase agreement, including those described below.

All of the Freedom common stock referred to above will be issued to GLG Shareowners, other than Mr. Gottesman and the Trustee of the Gottesman GLG Trust, for the Purchased Shares they sell to FA Sub 2 Limited and FA Sub 3 Limited. The cash amount referred to above will be allocated among all GLG Shareowners who sell Purchased Shares to FA Sub 2 Limited and FA Sub 3 Limited, including Mr. Gottesman and the Trustee of the Gottesman GLG Trust.

All of the Series A preferred stock and all of the Exchangeable Shares will be issued to the Trustee of the Gottesman GLG Trust. These securities, combined, will approximate the voting, economic and other rights Mr. Gottesman and the Trustee of the Gottesman GLG Trust would have if they had exchanged their equity interests in the Acquired Companies for 58,904,993 shares of Freedom common stock, representing approximately 20% of the outstanding shares of common stock of Freedom following consummation of the acquisition after giving effect to the co-investment by Freedom s sponsors and assuming that no shares are elected to be redeemed by Freedom stockholders and no outstanding Freedom warrants are exercised.

As described below, each share of Series A preferred stock has substantially the same voting rights as a share of Freedom common stock and only nominal economic rights. Each Exchangeable Share may be exchanged at any time on a share-for-share basis, for Freedom common stock, and has certain economic and voting rights described below prior to exchange. The Exchangeable Shares and Series A preferred stock are not separately transferable or tradeable. The Exchangeable Shares must be surrendered for cancellation, and the corresponding shares of Series A preferred stock will be concurrently redeemed, at such time as the holder elects to exchange Exchangeable Shares for Freedom common stock.

Employee and Key Personnel Shares. In connection with the closing of the acquisition and related transactions, Freedom will issue 10,000,000 shares of Freedom common stock to one or more trusts or subsidiaries of Freedom that will hold the shares for the benefit of GLG s employees, key personnel and certain other individuals or use the shares to acquire certain limited partnership interests issued by two Acquired Companies, Lavender Heights and Laurel Heights, to certain GLG key personnel who are participants in the equity participation plan.

Purchase Price

At the closing and subject to certain adjustments as described below, the Freedom Group will pay to the GLG Shareowners:

$1.0 billion, to be allocated between cash and Notes (if Sage Summit LP and Lavender Heights Capital LP elect to receive Notes); and

230,000,000 shares of Freedom common stock and common stock equivalents, as described above. See Structure of the Acquisition.

Before the acquisition, the number of securities issued as part of the purchase price will:

increase if the average closing price of Freedom common stock during the ten day trading period prior to the closing of the acquisition is less than $9.50 per share.

increase or decrease proportionately to give effect to any stock split, reverse stock split, stock combination, reclassification of stock, recapitalization, stock dividend or similar events, none of which is currently expected to occur.

After the acquisition, the cash Freedom delivers as part of the purchase price may be increased or decreased based, generally, on the net cash (as defined in the purchase agreement) of GLG at the time of the acquisition. Specifically, the purchase price will be adjusted, up or down, on a dollar-for-dollar basis, to the extent the net cash amount as of the closing date is higher or lower than $0, as calculated by the Freedom Group s representative, on each of the following adjustment dates: (1) 10 business days after the closing, (2) January 31, 2008, (3) 10 business days after receipt by the Freedom Group of the audited financial statements of GLG for fiscal year 2007. It is expected that Freedom will be required to pay additional cash after the acquisition to the extent that earnings from pre-closing operations have not been distributed as cash dividends to the GLG Shareowners.

As noted above, Sage Summit LP and Lavender Heights Capital LP may elect to receive Notes for some or all of the cash amount that otherwise would be paid to them under the purchase agreement. If requested, the Notes will:

be issued by FA Sub 1 Limited;

bear interest at a fixed rate equal to LIBOR on the date of issue;

rank pari passu among themselves;

be non-recourse obligations of FA Sub 1 Limited (and its affiliates, including Freedom);

be secured by funds deposited in a collateral account (equal to the aggregate original principal amount of the Notes issued) maintained with a financial institution to hold and invest the deposit and pay principal of and interest on the Notes as and when due (at the stated maturity date, prior repayment date, on acceleration or otherwise); and

have a stated maturity that is two years from the date of issue, but (1) holders of Notes may demand that FA Sub 1 Limited repay the Notes, in whole or in part, at any time and from time to time after the date six months from the date of issue, (2) FA Sub 1 Limited may repurchase the Notes at any time after the date six months

from the date of issue, and (3) the Notes may be declared immediately due and payable by the holders if any of the following events of default occurs and is continuing:

FA Sub 1 Limited fails to pay any principal payable on any of the Notes within 10 business days of the due date for payment;

FA Sub 1 Limited begins a winding-up, dissolution or re-organization (other than for reorganization or amalgamation) or appoints a receiver, administrator, administrative receiver, trustee or similar officer of it or of all or any material part of its assets;

FA Sub 1 Limited is insolvent or unable to pay its debts or commences negotiations with its creditors for readjustment of its debts or makes a general assignment for the benefit of its creditors;

FA Sub 1 Limited does anything analogous to the previously mentioned items; or

FA Sub 1 Limited is or will be unable to comply with any of its obligations under the Notes because such obligations become unlawful.

It is currently expected that less than $15.0 million principal amount of Notes will be issued in connection with the acquisition.

Closing

The closing of the acquisition will take place on the third business day following the satisfaction or waiver of all conditions described below under Conditions to the Completion of the Acquisition , or such other date as the GLG Shareowners representative and Freedom may agree. One exception is that if the consent of CIMA for the transfer of GLG Partners (Cayman) Limited (GPCL) has not been obtained by the time all other conditions to the closing have been satisfied, then the GLG Shareowners representative has the right to elect to close the purchase of all the Acquired Companies other than GPCL and to defer the closing with respect to GPCL until the consent of CIMA has been obtained.

Representations and Warranties

The purchase agreement contains a number of representations and warranties made by GLG Shareowners, on the one hand, and the Freedom Group, on the other hand, to each other.

The representations and warranties made by each of the GLG Shareowners as to themselves relate to:

organization and qualification;

capacity or authority to execute, deliver, and perform their obligations under the agreements related to the acquisition and the enforceability of these transaction documents;

absence of any conflicts or violations under organizational documents, material agreements and applicable laws, licenses or permits as a result of the consummation of the acquisition or the execution, delivery or performance of the transaction documents;

required consents and approvals;

ownership of their respective Purchased Shares;

accredited investor matters and investment intention with respect to the Freedom capital stock issued in connection with the acquisition; and

payment of fees to investment banks, brokers, finders or other intermediary in connection with the transaction documents.

The substantially reciprocal representations and warranties made by certain GLG Shareowners as to GLG and by the Freedom Group as to themselves relate to:

- organization, qualification and subsidiaries;
- authority to execute, deliver and perform its obligations under the transaction documents and the enforceability of those transaction documents;
- absence of any conflicts or violations under organizational documents, material agreements and applicable laws, licenses or permits as a result of the consummation of the acquisition or the execution, delivery or performance of the transaction documents;
- payment of fees to investment banks, brokers, finders or other intermediary in connection with the transaction documents;

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- required governmental approvals;
- capital structure;
- financial statements and liabilities;
- absence of certain changes or events since March 31, 2007;
- tax matters;
- title to assets and properties and absence of material liens;
- material contracts and change of control agreements;
- litigation matters;
- environmental matters;
- compliance with applicable laws;
- permits and licenses;
- employment and employee benefits matters; and
- insurance.

In addition, certain GLG Shareowners made additional representations and warranties as to GLG relating to:

- information supplied for use in this proxy statement;
- transactions with affiliates;
- material clients;
- the GLG Funds;
- business intellectual property; and
- competition laws.

The Freedom Group also made additional representations and warranties relating to:

- Freedom s filings with the SEC;
- Freedom s investment intention with respect to the equity interests in the GLG; and
- the financial commitment letter.

Some of the GLG Shareowners, referred to in the purchase agreement as Designated Sellers , did not make representations and warranties as to GLG. However, they agreed to assume certain indemnification obligations described below for breach of some of those representations and warranties as if they had made them.

Materiality and Material Adverse Effect

Certain representations and warranties are qualified by materiality or material adverse effect. For the purpose of the purchase agreement, a material adverse effect as to GLG and Freedom means any fact, circumstance, change or effect that, individually or when taken together with all other such facts, circumstances, changes or effects that exist at the date of determination of the occurrence of the material adverse effect, has or is reasonably likely to have a material adverse effect on (1) the ability of such entities to perform any material obligations under any of the transaction documents or (2) the ability of such entities to consummate the acquisition in accordance with the transaction documents or (3) the business, operations, financial condition or results of operations of such entities, taken as a whole. None of the following will be deemed to be or constitute a material adverse effect:

economic, financial or political conditions or changes therein,

conditions in the financial markets, and any changes therein,

the announcement or pendency of the purchase agreement and the acquisition,

changes in the applicable laws, or

compliance with the express terms or failure to take action prohibited by the purchase agreement.

Covenants

The parties to the purchase agreement, other than Designated Sellers, have agreed to perform certain covenants in the purchase agreement. The principal covenants are as follows:

Conduct of Business. For the period prior to completion of the acquisition or termination of the purchase agreement and except as expressly permitted by the purchase agreement, the parties agreed that the Freedom Group and GLG would:

conduct, their respective businesses in the ordinary course consistent with past practices;

pay their respective debts and taxes when due;

perform all material contracts;

use reasonable effort to preserve intact their respective present businesses; and

keep available services of their respective present officers and employees and preserve their respective relationships with customers, suppliers and others with which they have significant business dealings.

They also agreed that, except for any transaction required pursuant to the contemplated reorganization of GLG prior to the closing, and except for various exceptions contained in the purchase agreement or the related disclosure statement and schedules, GLG and the Freedom Group would not do any of the following:

amend or propose to amend any of its organizational documents;

authorize for issuance, issue, sell or deliver any of its securities or any securities of any of its subsidiaries;

acquire, redeem or amend any of its securities or any securities of any of its subsidiaries;

split, combine or reclassify any shares of capital stock or other equity securities;

propose or adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of it or any of its subsidiaries;

incur or assume any indebtedness or issue any debt securities, guarantee any material obligations, make any material loans or mortgage or pledge any of its or its subsidiaries assets;

make any changes to any employee benefits plan, increase compensation or pay any bonuses or benefit to any consultant, director, officer or employee not required by any employee benefits plan;

forgive any loans to any of its or its subsidiaries or affiliates employees, officers or directors;

make any deposits or contributions or take any action to fund or secure the payment of compensation or benefits under any employee benefits plan, except as required by the terms of such employee benefits plan or any contract subject to such plan in effect on the date of the purchase agreement or as required by law;

enter into, amend, or extend any collective bargaining agreement;

acquire, sell, lease, license or dispose of any material property or assets, except for transactions (1) pursuant to the existing contracts, (2) in the ordinary course of business, or (3) not in excess of $1.0 million individually, or $10.0 million in the aggregate;

except as may be required to remain in compliance with the applicable laws or GAAP, (1) make any change in any of the accounting principles or practices used by it, or (2) revalue in any material respect

any of its properties or assets, including writing-off notes or accounts receivable other than in the ordinary course of business;

change any material tax election or accounting method, settle or compromise any material tax liability, or consent to the extension or waiver of the limitations period applicable to a material tax claim or assessment;

enter into or amend any material contract or grant any release or relinquishment of any material rights under any material contract, except as permitted in the purchase agreement;

acquire (by merger, consolidation or acquisition of stock or assets) any other person or any equity or ownership interest therein;

settle or compromise any pending or threatened action or pay, discharge or satisfy or agree to pay, discharge or satisfy any liability, except as permitted in the purchase agreement;

enter into a contract to do any of the foregoing;

knowingly take any action which is reasonably expected to result in any of the conditions to the consummation of the acquisition or related transactions not being satisfied; or

knowingly take any action which would materially impair its ability to consummate the acquisition or related transactions in accordance with the terms of the purchase agreement or materially delay such consummation.

The purchase agreement generally does not restrict the declaration or payment of any dividend or distribution by GLG in respect of earnings or surplus or retained capital for any period ending on or prior to the closing date, other than liquidating distributions (following dissolution and winding up).

The purchase agreement contemplates that GLG may enter into an agreement to buy GLG Inc. prior to the closing of the acquisition, but the consummation of the purchase of GLG Inc. must be deferred until after the closing.

Freedom Proxy Statement and Stockholders Meeting. Freedom has agreed to prepare and file a proxy statement with the SEC and any other filing required under the securities laws or any other federal, foreign or blue sky laws, and to call and hold a meeting of its stockholders for the purpose of seeking the adoption of the acquisition proposal by its stockholders. Freedom has also agreed that it will, through its board of directors and subject to their fiduciary duties or as otherwise required by law, recommend to its stockholders that they approve and adopt the acquisition proposal. GLG will provide the required information with respect to its business in this proxy statement.

Directors and Officers of Freedom After Closing. Freedom and GLG Shareowners have agreed to take all necessary actions to appoint and elect certain officers and directors of Freedom and its subsidiaries to serve in such positions immediately after the closing. The director nominees under the purchase agreement are:

Noam Gottesman

Emmanuel Roman

Nicolas Berggruen

Martin Franklin

Ian Ashken

James Hauslein

William Lauder

Paul Myners

Peter Weinberg

HSR Act. If required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, Freedom and GLG Shareowners representative will each take all necessary actions, file all required documents, respond in good faith to all information requested by the governmental entities and otherwise cooperate in good faith with each other.

Public Disclosure. Each party has agreed to cooperate in good faith to jointly prepare all press releases and public announcements pertaining to the purchase agreement and the acquisition. Each party has agreed it will not issue or otherwise make any public announcement or communication pertaining to the purchase agreement or the acquisition without the prior consent of the other, subject to certain exceptions set forth in the purchase agreement. Each party has agreed not to unreasonably withhold approval from the others with respect to any press release or public announcement.

Reasonable Efforts. Each party has agreed to use its commercially reasonable efforts to take, or cause to be taken, all necessary and proper actions to consummate the acquisition, including the following: (1) cause the conditions precedent to the closing of the acquisition to be satisfied; (2) obtain all necessary consents, approvals or waivers from the governmental entities or third parties required as result of the acquisition; (3) defend any action challenging the purchase agreement or the consummation of the acquisition; and (4) execute and deliver any additional instruments necessary to consummate the acquisition.

Notices of Certain Events. Each party has agreed to notify the other of (1) any notice from any person alleging that person s consent is required, (2) any notice from any governmental entity relating to the acquisition, and (3) any action affecting the parties, the assets, liabilities or employees of the parties or the consummation of the acquisition.

Directors and Officers Insurance. For six years after the date of closing, Freedom is obligated to maintain for the benefit of directors and officers of Freedom as of the closing of the acquisition, the same directors and officers liability insurance for persons covered under its directors and officers insurance policy in effect from time to time. However, Freedom will not be required to expend in the aggregate amounts in any year in excess of $150,000 over the amount it would otherwise have expended for such insurance to cover its then existing directors and officers (in which event, Freedom is obligated to purchase the greatest coverage available for such amount).

Advice of Changes. Each party has agreed to notify the other of the occurrence of any event that would likely cause any representation or warranty of such party to be untrue or inaccurate in any material respect and any failure on its part to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it on or prior to the closing date.

Consents. Each party has agreed that it will promptly make all filings required by law, cooperate with each other with respect to those filings and obtain all consents and orders required to be obtained in connection with the transaction documents and the consummation of the acquisition.

Financing at Closing. Freedom and the GLG Shareowners representative will use their reasonable efforts to arrange for financing of the acquisition by a reputable financial institution, including using reasonable efforts to satisfy all terms and enforce all rights under the commitment letters, enter into a definitive agreement with such financial institution, and consummate financing of the acquisition at or prior to the closing. If any portion of the original financing becomes unavailable, (1) they will use their reasonable efforts to arrange for alternative equity or debt financing from alternative sources in an amount sufficient to consummate the acquisition, and (2) the termination date

of the purchase agreement will be extended for a period of 12 months.

Exchangeable Shares. FA Sub 1 Limited and FA Sub 2 Limited will amend their respective organizational documents prior to the closing to include certain terms and conditions for FA Sub 1 Limited ordinary shares and Exchangeable Shares, respectively, as described below under The Authorized Share Proposal Description of Capital Stock.

Freedom s Organizational Documents. Promptly following the meeting of Freedom s stockholders and before the closing, Freedom will (1) amend its certificate of incorporation as described in this proxy statement, and (2) adopt the certificate of designation for the Series A preferred stock.

Non-Voting Shares. GLG Holdings Limited, GLG Partners Services Limited, GLG Partners (Cayman) Limited and GLG Partners Asset Management Limited will, prior to the closing, redeem or repurchase all of the shares of each class of non-voting stock in each such entity at a purchase price equal to the par value thereof.

As noted above, the Designated Sellers have not agreed to any of the covenants summarized above.

Conditions to the Completion of the Acquisition

The obligations of each of the Freedom Group and GLG Shareowners to complete the acquisition are subject to the satisfaction or waiver by the other party at or prior to the closing date of various conditions, including:

the representations and warranties of the other party that are qualified by materiality must be true and correct in all respects and the representations and warranties of the other party that are not so qualified must be true in all material respects on the date of the purchase agreement and as of the closing date as if they were made on that date;

the other party s performance or compliance with its covenants and agreements contained in the purchase agreement or the transaction documents;

No litigation or action being threatened in writing, instituted or pending which is reasonably likely to make illegal, delay, restrain, prohibit or otherwise adversely affect consummation of the acquisition or which would otherwise have a material adverse effect on GLG or the Freedom Group, as applicable;

the absence of any law or action by any court or other government entity which may inhibit or have a material adverse effect on the acquisition;

the receipt of all required approvals and consents and their submission to the other party;

the termination or expiration of all antitrust-related waiting periods, the receipt of all antitrust approvals and consents and the filing of all antitrust notices or filings required to have been made;

the approval by Freedom s stockholders of the acquisition and the other proposals contained in this proxy statement;

the execution and delivery by each of the other parties of each of the transaction documents; and

the availability for funding on the closing date of the entire amount that may be borrowed under the credit agreement by FA Sub 3 Limited and the satisfaction of all conditions precedent to the borrowing of $550.0 million.

The Freedom Group s obligation to complete the acquisition is also subject to (1) consummation by the GLG Shareowners of the contemplated reorganization of the Acquired Companies and (2) delivery by the GLG Shareowners representative to Freedom of executed copies of the organizational documents of the Acquired Companies. The GLG Shareowners obligation to complete the acquisition is also subject to receipt of the copies of the resolutions of the Freedom s board of directors authorizing the LTIP and the reservation for issuance of Freedom

common stock issuable pursuant to the LTIP and pursuant to the terms of the Exchangeable Shares, the put and call rights with respect to ordinary shares of FA Sub 1 Limited pursuant to the shares exchange agreement among Freedom and the holders of the ordinary shares of FA Sub 1 Limited and the support agreement between Freedom and FA Sub 2 Limited.

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Termination

The purchase agreement may be terminated and the acquisition abandoned at any time prior to the closing:

by mutual written agreement of Freedom and GLG Shareowners representative;

by either party, if the closing has not occurred before the termination date of December 31, 2007, or December 31, 2008 if any portion of the financing described above under Covenants Financing at Closing becomes unavailable;

by either party, if there is any law or court or governmental order, which is not subject to appeal or has become final, that makes consummation of the acquisition illegal or otherwise prohibited;

by either party, if there has been a breach of any representation, warranty, covenant or agreement by the other party such that the condition set forth above with respect to representations and warranties under Conditions to the Completion of the Acquisition would not be satisfied as of such time, unless such breach is curable and the breaching party continues to exercises reasonable best efforts to cure it; or

by either party, if the required approvals of Freedom s stockholders related to the acquisition are not obtained.

In the event of termination of the purchase agreement, the purchase agreement will become void and have no effect, without any liability on the part of either party or its affiliates or representatives, except that each party will still be liable for any breach of the purchase agreement.

Survival

All representations, warranties, covenants and obligations in the purchase agreement or the transaction documents will survive the closing. However, no claim for indemnification based on a breach of any representation and warranty of any party or in relation to the income tax claims described below may be made after the date that is:

in the case of certain designated representations of Freedom and GLG Shareowners, 30 days after the expiration of the longest applicable statute of limitations;

in the case of any breach of the representations and warranties relating to the U.S. federal tax status of GLG or the GLG indemnity for certain income tax claims defined below, the period of the applicable statute of limitations for tax claims made by tax authorities in the relevant jurisdiction; and

in any other case, one year after the closing date.

Indemnification

After the closing, the GLG Shareowners will indemnify the Freedom Group and their representatives and affiliates from and against all damages arising from, among other things:

1. any breach of any representation and warranty made by the GLG Shareowners in the purchase agreement, except for representations and warranties relating to income taxes;

2. any breach of any covenant, agreement or other obligation of the GLG Shareowners contained in the purchase agreement or the transaction documents, except for any covenant, agreement or other obligation relating to income

taxes;

3. the investigation by the Autorité des Marchés Financiers (AMF), the French securities regulator, of GLG with respect to transactions in shares of Vivendi Universal S.A. (Vivendi) as described in Information about GLG Legal and Regulatory Proceedings below;

4. all income taxes of GLG for all taxable periods ending prior to the closing date in excess of the amount of income taxes included in the closing net cash settlement, which we refer to as the income tax

claims, provided that there will be no income tax liability unless and until the aggregate amount of such income tax claims exceeds $15.0 million, in which case GLG Shareowners will be liable for the entire amount of such claims, including all of the first $15.0 million;

5. the existence after the closing of certain agreements among certain GLG Shareowners and their affiliated entities or the termination of those agreements after the closing of the acquisition, subject to a claim limit described below; and

6. the existence on or after the closing of the acquisition of non-voting shares of certain Acquired Companies which were required to be repurchased prior to the closing of the acquisition.

The purchase agreement provides that no claims may be made for indemnification under paragraph (5) above unless and until the aggregate amount of the claims under paragraph (5) exceeds $15.0 million, in which case the GLG Shareowners will be liable for the entire amount of such claims, including all of the first $15.0 million.

After the closing, the Freedom Group will indemnify the GLG Shareowners and their representatives and affiliates from and against all damages arising from:

(i) any breach of any representation and warranty made by the Freedom Group in the purchase agreement; and

(ii) any breach of any covenant, agreement or other obligation of the Freedom Group contained in the purchase agreement or the transaction documents.

The Purchase Agreement contains a number of limitations, qualifications and exceptions to the indemnification obligations described above. Some of these apply to all GLG Shareowners, some apply only to Designated Sellers, some do not apply to Freedom or the GLG Shareowners and some depend on the type of claim involved.

Claim Thresholds. In addition to the $15.0 million claim thresholds described above for certain indemnity obligations, there are two types of minimum dollar claim thresholds that must be exceeded before indemnification claims can be made for breach of most, but not all, representations and warranties:

(i) No claim for breach of representations and warranties may be made for damages of less than $1.0 million.

(ii) No claim for breach of representations and warranties may be made for damages until the aggregate amount of all claims exceeds the greater of:

(x) $60.0 million; and

(y) two percent of the fair market value of Freedom immediately after the closing based on its market capitalization using the closing price of Freedom common stock on the closing date, but not to exceed $100.0 million.

Claims for breach of certain representations and warranties are not subject to the claim threshold described in clause (ii) above. These are referred to in the purchase agreement as No Threshold Claims and, in general terms, relate to breaches of certain representations and warranties as to the legality and binding effect of the purchase agreement with respect to the person making that representation, that person s title to its Purchased Shares and certain other matters, which are referred to in the purchase agreement as Designated Representations of the GLG Shareowners or the Freedom Group, as the case may be.

Indemnity Claim Caps. The purchase agreement also includes limits on the maximum amount that may be recovered for indemnification claims based on breach of representations and warranties or based on the specific indemnities set

forth above. These limits vary based, among other things, on the nature of the representations and warranties breached, the identity of the person that caused the breach, or the specific indemnity involved. These caps are summarized, in general terms, in the table below.

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Type of Indemnity Claim	Type of Indemnitor	Maximum Liability
Breach of Designated Representations	GLG Shareowners	Aggregate purchase price paid to such person
	Designated Sellers	Aggregate purchase price paid to such person
	Freedom Group	Aggregate purchase price
Breach by GLG Shareowners of individual representations and warranties in Article III of the purchase agreement (other than Designated Representations)	GLG Shareowners	One tenth of the aggregate purchase price paid to such person
	Designated Seller	One tenth of the aggregate purchase price paid to such person
	Freedom Group	Not applicable
Breach of representations and warranties concerning GLG in Article IV of the purchase agreement (other than Designated Representations)	GLG Shareowners	$300.0 million, in the aggregate for all GLG Shareowners
	Designated Sellers	The lesser of (x) the product of (i) $300.0 million and (ii) the amount specified in the purchase agreement for each Designated Seller as its Indemnity Sharing Percentage and (y) the product of (i) the aggregate indemnity amount paid by all GLG Shareowners and (ii) the Indemnity Sharing Percentage of the Designated Seller.
	Freedom Group	Not applicable
Breach of representations and warranties concerning the Freedom Group in Article V of the purchase agreement (other than Designated Representations)	GLG Shareowners	Not applicable
	Designated Sellers	Not applicable
	Freedom Group	$300.0 million
Indemnity claims under Section 8.2(c) of the purchase agreement relating to the AMF investigation of GLG with respect to transactions in Vivendi shares summarized in item (3) above	GLG Shareowners	The aggregate purchase price paid to such person.
	Designated Sellers	The lesser of (i) the aggregate purchase price paid to that Designated Seller and (ii) the product of (x) the aggregate indemnity amounts payable by all GLG Shareowners and (y) the Indemnity Sharing Percentage of that Designated Seller.
	Freedom Group	Not applicable
Indemnity claims under Section 8.2(d) of the purchase agreement relating to certain income tax matters summarized in item (4) above	GLG Shareowners	The aggregate purchase price paid to such person.
	Designated Sellers	The lesser of (i) the aggregate purchase price paid to that Designated Seller and (ii) the product of (x) the aggregate indemnity amounts payable by all GLG Shareowners and (y) the Indemnity Sharing Percentage of that Designated Seller.
	Freedom Group	Not applicable

Indemnity claims under Section 8.2(f) of the purchase agreement summarized in item (5) and (6) above	GLG Shareowners Designated Sellers Freedom Group	Aggregate purchase price to such person Aggregate purchase price to such person Not applicable

The Designated Sellers will not be required to pay any indemnity with respect to:

any breach of representations and warranties made with respect to the information supplied by GLG for use in this proxy statement;

any amount in excess of the product of the indemnity amounts payable by all GLG Shareowners for any claim or claims multiplied by the Indemnity Sharing Percentage of any Designated Seller; and

any claim, other than for breach of any representation and warranty made by such Designated Seller, unless such claim is asserted against other GLG Shareowners that may be liable for the claim.

None of the GLG Shareowners are liable for indemnity claims to the extent the loss or damage claimed by the Freedom Group is reflected or reserved for in the GLG financial statements.

None of the GLG Shareowners will be liable under the purchase agreement for any matter that would not have occurred but for (1) any new law, including changes in taxation or (2) any change of any generally accepted interpretation or application of any law after the closing.

The amount of damages to which an indemnified person is entitled will be decreased by insurance proceeds actually received and increased (but in no event above the maximum liability described above) or reduced to take account of any tax costs incurred and tax savings currently realizable by such indemnified person. Neither party will have any obligation to indemnify any person against such person s own consequential or incidental damages arising out of a breach by either party of its representations and warranties.

The sole remedy of the parties for any breach of representations and warranties made by the other party will be the rights to indemnification from the breaching party, except that the purchase agreement does not limit any right or remedy of any party (1) for claims of fraud, or (2) for claims that cannot be limited or waived as a matter of applicable law or public policy.

Amendments

Prior to the closing, the purchase agreement may not be amended, modified or supplemented except by a written agreement of Freedom (on behalf of all members of the Freedom Group) and the GLG Shareowners representative (on behalf of all members of GLG Shareowners), except that no agreement of Freedom will be required in connection with the amendment of certain agreements by GLG Shareowners with respect to reinvestment of the purchase price in GLG Funds and certain other agreements to which GLG Shareowners are parties. After the closing, any amendment, modification or supplement will require the consent of the representative of the Freedom Group.

Fees and Expenses

If the closing does not occur, each party will pay all of its respective transaction expenses. If the closing does occur, Freedom will pay transaction expenses of all the parties.

Representatives

The GLG Shareowners have appointed Noam Gottesman and the Freedom Group has appointed Jared Bluestein as their respective representative, agent and true and lawful attorney in fact in connection with the transaction documents and the acquisition.

Governing Law

The purchase agreement is governed by the laws of the State of New York.

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AGREEMENTS RELATED TO THE ACQUISITION

Credit Facility

Pursuant to a commitment letter with FA Sub 3 Limited, Citigroup Global Markets, Inc., on behalf of itself and its affiliates, has agreed to provide FA Sub 3 Limited, subject to customary conditions, with a non-amortizing revolving credit facility in a principal amount of up to $570.0 million. Proceeds of loans under the revolving credit facility drawn on the closing date of the acquisition may be used to finance the purchase price for the acquisition, including purchase price adjustments, to pay transaction costs and to repay existing GLG indebtedness. Proceeds of loans under the revolving credit facility drawn after the closing date may be used for working capital purposes, to pay any purchase price adjustment and for general corporate purposes.

The revolving loans will be guaranteed by Freedom and certain of its subsidiaries (including certain Acquired Companies, but excluding certain regulated entities) and will be secured by a first priority pledge of all notes and capital stock owned by FA Sub 3 Limited and the guarantors and a first priority security interest in all or substantially all other assets owned by FA Sub 3 Limited and the guarantors.

The revolving credit facility will expire on August 1, 2008 and, on that date, FA Sub 3 Limited will have the option to convert the outstanding revolving loan amounts into a term loan maturing three years from the closing date of the acquisition.

The loans will bear interest at one of the following rates, at the election of FA Sub 3 Limited:

- the Applicable Margin (as described below) plus the highest of:
  - Citibank, N.A. s base rate;
  - the three-month certificate of deposit rate plus 0.5%; and
  - the federal funds effective rate plus 0.5%; or
- the Applicable Margin plus the current LIBOR.

Applicable Margin means for the first two fiscal quarters after the closing of the acquisition 0% per annum for loans based on the base rate and 1.25% for loans based on LIBOR. Thereafter, the interest rate will be based on the total leverage ratio (the ratio of total debt to adjusted EBITDA (as defined in the loan documentation)) of Freedom and its consolidated subsidiaries and the pricing grid as set forth below.

A non-refundable unused commitment fee will accrue as a percentage of the daily average unused portion of the revolving credit facility (whether or not then available), payable quarterly in arrears and on the termination of the revolving credit facility. The applicable commitment fee percentage (1) for the first two full fiscal quarters after the closing date, will be 0.30% per annum and (2) thereafter, will be such rates per annum determined by reference to the pricing grid set forth below.

	Applicable Margin	
Total Leverage Ratio	**LIBOR**	**Base Rate**

			Commitment Fee%
1.0:1	0.65%	0.00%	0.150%
1.5:1 and > 1.0:1	1.00%	0.00%	0.200%
2.0:1 and > 1.5:1	1.125%	0.00%	0.250%
2.5:1 and > 2.0:1	1.25%	0.00%	0.300%
3.0:1 and > 2.5:1	1.50%	0.05%	0.375%
> 3.0:1	1.75%	0.20%	0.375%

Except as described below, the loan documentation for the revolving credit facility will contain, among other terms, representations and warranties, conditions precedent, covenants, prepayment provisions and events of default customary for loan agreements for similar leveraged acquisition financings and other representations and warranties and covenants deemed by the administrative agent as appropriate to the specific transaction.

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During the term of the loans, FA Sub 3 Limited, the guarantors and their subsidiaries on a consolidated basis may not have a maximum total leverage ratio of more than 4.0:1 and must maintain a minimum amount of management fee earning assets (as defined in the loan documentation) of $14.5 billion initially, increasing by $500 million each year.

Restrictive covenants applicable to FA Sub 3 Limited and the guarantors, subject to customary terms and conditions, will include limitations on:

- debt and guarantees;
- liens;
- loans and investments (subject to certain agreed upon exceptions);
- asset dispositions, including the issuance and sale of capital stock of subsidiaries;
- dividends, redemptions and repurchases with respect to capital stock; *provided* that such limitations shall not apply to the extent that before and after giving effect to any such dividend, redemption or repurchase, (1) FA Sub 3 Limited is in compliance, on a pro forma basis, with the total leverage ratio then in effect and (2) no default or event of default has occurred and is continuing or would result from such dividend, redemption or repurchase;
- cancellation of debt and prepayments, redemptions and repurchases of debt (other than the term loan and the revolving loan);
- mergers, consolidations, acquisitions, joint ventures or creation of subsidiaries;
- changes in business;
- transactions with affiliates;
- restrictions on distributions from subsidiaries and granting of negative pledges;
- amendment of constituent documents and material agreements (including the purchase agreement), except for modifications that could not reasonably be expected to materially affect the interests of the lenders;
- changes in accounting treatment and reporting practices or the fiscal year;
- sale/leasebacks and operating leases; and
- speculative transactions except for the sole purpose of hedging in the normal course of business and consistent with industry practices.

In addition, FA Sub 3 Limited and certain guarantors will be prohibited from engaging in any activities other than owning all of the capital stock of its subsidiaries and activities reasonably incidental thereto.

Among the events of default under the revolving credit facility is the removal of any two of the following managing directors of GLG: Noam Gottesman, Pierre Lagrange and Emmanuel Roman.

Citigroup Global Markets, Inc. is acting as the sole arranger and book runner for the revolving credit facility and it or one of its affiliates will be the administrative agent for the revolving credit facility.

Support Agreement

The purchase agreement provides that Freedom and FA Sub 2 Limited will enter into a support agreement at or prior to the closing of the acquisition. A copy of the form of support agreement is attached as Annex B.

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Irrevocable Agreement to Issue Shares

Freedom has agreed to instruct Continental Stock Transfer & Trust Co., its transfer agent, to do the following, promptly upon receiving a notice that the holder of the Exchangeable Shares desires to exchange such securities in accordance with their terms and conditions:

to issue that number of shares of Freedom common stock as may be required to comply with any such exchange notice;

to deliver those shares upon receipt by Freedom of (1) certificates representing the Exchangeable Shares tendered for exchange and (2) such other documents or instruments as may be reasonably requested by Freedom; and

to record successive transfers of any shares of Freedom common stock issued pursuant to any exchange notice first as a transfer by Freedom to FA Sub 1 Limited (which will be treated as between Freedom and FA Sub 1 Limited as a contribution to the capital of FA Sub 1 Limited) and second as a transfer by FA Sub 1 Limited to FA Sub 2 Limited (which will be treated as between FA Sub 1 Limited and FA Sub 2 Limited as a contribution to the capital of FA Sub 2 Limited) and third as a transfer by FA Sub 2 Limited to the person(s) named in the exchange notice.

If there is a recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of Freedom s assets, spin-off, distribution or other transaction in which holders of Freedom common stock are entitled to receive stock, securities or assets with respect to or in exchange for Freedom common stock, then Freedom will deliver, in addition to or in lieu of Freedom common stock, such stock, securities or assets as would have been issued or payable in exchange for the number of shares of Freedom common stock issuable immediately prior thereto.

Taxes

Any and all share issuances or contributions by or to Freedom or FA Sub 2 Limited will be made free and clear of any and all present or future transfer taxes and all liabilities with respect thereto. If Freedom or FA Sub 2 Limited will be required by any applicable law to pay any transfer taxes in respect of any shares to be exchanged, Freedom or FA Sub 2 Limited will pay the full amount of such transfer taxes to the relevant tax authority or other authority in accordance with applicable law.

Reservation of Shares

Freedom will at all times while Exchangeable Shares are outstanding, keep reserved from its authorized capital stock sufficient shares of Freedom common stock to issue shares of Freedom common stock, as and when required under the support agreement.

Shares Exchange Agreement

The purchase agreement provides that Sage Summit LP and Lavender Heights Capital LP (together, the FA Sub 1 holders) and Freedom will enter into a shares exchange agreement at or prior to the closing of the acquisition. Pursuant to this agreement, each FA Sub 1 holder has the right to put its ordinary shares of FA Sub 1 Limited to Freedom at any time in exchange for shares of Freedom common stock. If an FA Sub 1 holder does not exercise its put right prior to the first business day after the consummation of the acquisition, then Freedom may at any time from such date call all FA Sub 1 Limited ordinary shares held by the FA Sub 1 holder in exchange for shares of Freedom common stock. In each case, the purchase price will be one share of Freedom common stock for each FA Sub 1

Limited ordinary share. Any exercise by any FA Sub 1 holder or Freedom of its put or call rights, respectively, will be subject to deductions in respect of (1) any withholding tax or other withholding liabilities that may be applicable; and (2) any amounts that may be owed by each FA Sub 1 holder to Freedom. A copy of the form of shares exchange agreement is attached as Annex C.

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GLG Shareholders Agreement

Concurrent with the execution of the purchase agreement, Freedom entered into a shareholders agreement with its sponsors, Berggruen Holdings and Marlin Equities, and the GLG Shareowners. The agreement restricts the GLG Shareowners, certain additional entities (the Green Transferees), which may be made a party to the agreement following a sale of equity interests in the Acquired Companies by Jonathan Green and the Green GLG Trust, and their permitted transferees (as described below) from the direct or indirect sale or transfer of their equity interests in Freedom or its subsidiaries for periods of up to four years after completion of the acquisition, in each case, on terms and conditions described below. In addition, the agreement provides registration rights for the GLG Shareowners, the Green Transferees and the sponsors. A copy of the shareholders agreement is attached as Annex D.

Transfer Restrictions

All the GLG Shareowners, the Green Transferees and their permitted transferees will be prohibited from selling or transferring any of their equity interests in Freedom or its subsidiaries for one year after the closing of the acquisition, except to family members, family trusts, family-owned entities and charitable institutions, which are referred to as permitted transferees . Thereafter, the GLG Shareowners, the Green Transferees and their permitted transferees will be subject to the following restrictions on sale or transfer:

Principals, Trustees and Key Personnel. Sage Summit LP and Lavender Heights Capital LP (on behalf of the key personnel participating in the equity participation plan), the Principals, the Trustees and each of their permitted transferees may each sell or transfer up to 10% of his or its original allocation of Freedom common stock (plus the unused amounts of the 10% cap from prior years, if any) each year during the three years beginning on the first anniversary of the closing. After the fourth anniversary of the closing, sales or transfers of Freedom common stock by these shareholders will be unrestricted. Any Freedom common stock received by a Principal or Trustee pursuant to the forfeiture provisions of the agreement among principals and trustees will be subject to the same transfer restrictions, except that a portion of forfeited Freedom common stock received by a Principal or Trustee may be sold to pay for any tax costs associated with the receipt of the forfeited Freedom common stock. Each Principal and Trustee will be entitled to registration of shares sold to pay for such tax costs, and such registrations will not count against the number of demands for registration such Principal or Trustee is allowed to make under the shareholders agreement (as described below).

Green, Green Trust and Green Transferees. Each of the trustee of the Green GLG Trust, Mr. Green and the Green Transferees may sell or transfer up to 50% of his or its original allocation of Freedom common stock during the year beginning on the first anniversary of the closing of the acquisition. Thereafter, sales or transfers of Freedom common stock by these GLG Shareowners will be unrestricted.

Lehman. Lehman (Cayman Islands) Ltd may sell or transfer up to 25% of its original allocation of Freedom common stock during the year beginning on the first anniversary of the closing of the acquisition and up to 50% of its original allocation of Freedom common stock (plus the unused amount of the 25% cap from the prior year, if any) during the year beginning on the second anniversary of the closing of the acquisition. Thereafter, sales or transfers of Freedom common stock by this GLG Shareowner will be unrestricted.

All of the foregoing transfer restrictions may be waived by the affirmative vote of two-thirds of the members of the board of directors of Freedom.

Registration Rights

Each of the GLG Shareowners, the Green Transferees and Freedom s sponsors, Berggruen Holdings and Marlin Equities, will have certain registration rights with respect to their Freedom common stock (or securities convertible into, exchangeable for or exercisable for shares of Freedom common stock) (registrable securities) under the shareholders agreement as described below. These registration rights terminate as to each GLG Shareowner as soon as all registrable securities held by that shareholder become freely tradeable by the GLG Shareowner pursuant to Rule 144 under the Securities Act of 1933.

Demand Registration Rights. Any of the GLG Shareowners, the Green Transferees or the sponsors who, together with permitted transferees, holds 5% or more of Freedom s total voting securities may demand registration of its registrable securities under the Securities Act at any time after the first anniversary of the closing of the acquisition.

For purposes of the shareholders agreement, the total voting securities of Freedom will be the number of our issued and outstanding voting securities immediately following the closing of the acquisition, and the number of voting securities held by a GLG Shareowner, a Green Transferee or the sponsors will include only those securities owned by such shareholder immediately following the closing of the acquisition that are voting securities of Freedom (or convertible into, exchangeable for or exercisable for voting securities of Freedom), but will exclude securities sold by such shareholder prior to the date of the demand for registration.

Each of the GLG Shareowners, the Green Transferees and the sponsors that is eligible to demand registration may demand a total of two demand registrations. Freedom must use commercially reasonable efforts to effect such registration as soon as practicable. However, it may postpone such registration to prevent the disclosure of material, non-public information that it needs to keep confidential and to give effect to timing issues related to prior registrations. Freedom may also cut back the number of shares covered by a demand registration statement if an underwriter or investment bank advises Freedom that inclusion of all securities in the registration statement would adversely affect marketability of the securities sought to be sold.

Piggyback Registration Rights. Any of the GLG Shareowners, the Green Transferees or the sponsors who, together with permitted transferees, holds 1% or more of Freedom s total voting securities will have piggyback registration rights that allow the shareholder to include its registrable securities in any public offering of Freedom s equity securities initiated by Freedom whenever Freedom proposes to register any of its equity securities under the Securities Act (except for registrations on Form S-8 or Form S-4), either for its own account or for the account of others, and when a demand registration is made (as described above). The calculation of the percentage ownership of equity securities of Freedom held by an eligible shareholder and the cut-back provisions in connection with a piggyback registration are the same as for a demand registration described above.

Shelf Registration Rights. Any of the GLG Shareowners, the Green Transferees or the sponsors who, together with permitted transferees, holds 10% or more of Freedom s total voting securities may demand a shelf registration of its registrable securities on Form S-3 under the Securities Act at any time after Freedom is eligible to file a shelf registration statement on Form S-3. The calculation of the percentage ownership of equity securities of Freedom held by an eligible shareholder in connection with a shelf registration is the same as for a demand registration described above.

Lehman (Cayman Islands) Ltd. (if it is an affiliate of Freedom) and each Principal and Trustee may demand such number of shelf registrations as is necessary to sell all of its or his registrable securities. Freedom must use commercially reasonable efforts to keep the shelf registration effective for two years or until all the shareholders securities registered thereunder have been sold, whichever is earlier. Freedom has the right to suspend the shelf registration to prevent the disclosure of material, non-public information which it needs to keep confidential.

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Founders Agreement

Concurrent with the execution of the purchase agreement, the Principals, the Trustees and Freedom s sponsors, Berggruen Holdings and Marlin Equities, entered into a founders agreement, pursuant to which Freedom s sponsors have agreed to voting, transfer and other matters described below. A copy of the founders agreement is attached as Annex E.

Voting of Securities

At any meeting of the stockholders of Freedom or in connection with any written consent of the stockholders of Freedom to vote upon or deliver a written consent with respect to the acquisition, or in any other circumstances upon which a vote or other approval with respect to the acquisition and the other matters covered by this proxy statement is sought, each sponsor has agreed to vote all such sponsor s securities in accordance with the terms of a letter agreement previously entered by it with Freedom and the sole bookrunning manager of Freedom s initial public offering. The letter agreement provides that if Freedom solicits approval of its stockholders of a business combination, each sponsor is required to vote (1) all sponsor s securities acquired by it prior to the initial public offering in accordance with the majority of votes cast by the holders of shares issued in Freedom s initial public offering and (2) all shares that may be acquired by the sponsor in any private placement, the initial public offering or the aftermarket for such business combination. The acquisition of the Acquired Companies is a business combination for purposes of these voting requirements.

To the extent a sponsor is not bound by the foregoing terms of the letter agreement, the sponsor has agreed to vote or provide written consent in favor of any actions presented to stockholders of Freedom in this proxy statement and against (1) any action or agreement that would reasonably be expected to result in a breach in any material respect of any covenant, representation or warranty or any other obligation or agreement of Freedom under the purchase agreement and (2) except with the prior written consent of Freedom, any action or agreement that would reasonably be expected to adversely affect or delay the acquisition in any respect, including, but not limited to:

any amendment of Freedom s certificate of incorporation or by-laws other than as specifically contemplated by the purchase agreement, and any other proposal, action or transaction involving Freedom or any of its subsidiaries, which amendment or other proposal, action or transaction would reasonably be expected to in any manner impede, frustrate, prevent or nullify the acquisition or change in any manner the voting rights of any class of Freedom s capital stock other than as specifically contemplated by the purchase agreement;

any change in the persons who constitute the board of directors of Freedom that is not approved in advance by at least a majority of the persons who were directors of Freedom as of the date of the founders agreement (or their successors who were so approved);

any material change in the present capitalization or dividend policy of Freedom; or

any other material change in Freedom s corporate structure or business that would reasonably be expected to adversely affect or delay the acquisition in any respect.

The sponsors have further agreed not to commit or agree to take any action inconsistent with the foregoing.

The sponsors have agreed not to (1) transfer any of the sponsors securities to any person or entity, (2) deposit the sponsors securities into a voting trust, enter into any voting arrangement or understanding, or otherwise transfer, whether by proxy, voting agreement or otherwise, the right to vote the sponsors securities or (3) take any action that would make any of its representations or warranties contained in the founders agreement untrue or incorrect or have

the effect of preventing, disabling or impeding such sponsor from performing its obligations under the founders agreement.

The voting and transfer provisions in the founders agreement described above terminate upon the first to occur of (1) the closing date of the acquisition and (2) the termination of the purchase agreement pursuant to the terms of the purchase agreement.

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Lock-up Provision

Each sponsor has agreed that it may not directly or indirectly transfer, or publicly announce an intention to effect any transfer, during the period commencing on June 22, 2007 and ending on the first anniversary of the closing of the acquisition, except to a permitted transferee (as defined in the founders agreement) who is a sponsor or who (except with respect to any charitable institution) agrees to be bound by the terms of the founders agreement as if such permitted transferee were a sponsor.

Warrant Exercise

Each sponsor and permitted transferee has agreed that at the written demand of Mr. Gottesman, as the GLG Shareowners representative, each such sponsor and any permitted transferees will exercise such warrants owned by such sponsor or permitted transferee as requested to be exercised by the GLG Shareowners representative. This demand may not be made until the redemption of Freedom s public warrants and amendment of the warrant agreement governing the sponsors warrants to permit cashless exercise of the warrants beneficially owned by the sponsors and their permitted transferees has been effected. Each sponsor has agreed that if the GLG Shareowners representative delivers notice of such written demand to a sponsor, the sponsor will, and will cause any permitted transferee to, exercise the warrants requested to be exercised in such notice as soon as practicable but no more than five business days after notice is given.

Voting Agreement

Concurrent with the execution of the purchase agreement, the Principals, the Trustees, Sage Summit LP and Lavender Heights Capital LP, whom we refer to collectively as the controlling stockholders, and Freedom entered into a voting agreement in connection with the controlling stockholders control of Freedom. A copy of the voting agreement is attached as Annex F. Following consummation of the acquisition, the controlling stockholders will control approximately 54% of the voting power of the outstanding shares of capital stock of Freedom (after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding warrants).

Voting Arrangement

The controlling stockholders have agreed to vote all of the shares of Freedom common stock and Series A preferred stock and any other security of Freedom beneficially owned by the controlling stockholders that entitles them to vote in the election of directors of Freedom, which we refer to collectively as the voting stock, in accordance with the agreement and direction of the parties holding the majority of the voting stock collectively held by all controlling stockholders, which we refer to as the voting block, with respect to each of the following events:

The nomination, designation or election of the members of the board of directors of Freedom (or the board of any subsidiary) or their respective successors (or their replacements);

The removal, with or without cause, from the board of directors (or the board of any subsidiary) of any director; and

Any change in control of Freedom.

The controlling stockholders and Freedom have agreed that so long as the controlling stockholders and their respective permitted transferees collectively beneficially own (1) more than 25% of the voting stock and at least one Principal is an employee, partner or member of Freedom or any subsidiary of Freedom or (2) more than 40% of the

voting stock, Freedom will not authorize, approve or ratify any of the following actions or any plan with respect thereto without the prior approval of the Principals who are then employed by Freedom

or any of its subsidiaries and who beneficially own more than 50% of the aggregate amount of voting stock held by all continuing Principals:

any incurrence of indebtedness, in one transaction or a series of related transactions, by Freedom or any of its subsidiaries in excess of $570.0 million or, if a greater amount has been previously approved by the controlling stockholders and their respective permitted transferees, such greater amount;

any issuance by Freedom of equity or equity-related securities that would represent, after such issuance, or upon conversion, exchange or exercise, as the case may be, at least 20% of the total voting power of Freedom, other than (1) pursuant to transactions solely among Freedom and its wholly owned subsidiaries, and (2) upon conversion of convertible securities or upon exercise of warrants or options;

any commitment to invest or investment or series of related commitments to invest or investments in a person or group of related persons in an amount greater than $250.0 million;

the adoption of a shareholder rights plan;

any appointment of a Chief Executive Officer or Co-Chief Executive Officer of Freedom; or

the termination of the employment of a Principal with Freedom or any of its material subsidiaries without cause.

The controlling stockholders and Freedom have agreed, subject to the fiduciary duties of the directors of Freedom, that so long as the controlling stockholders and their respective permitted transferee(s) beneficially own voting stock representing:

more than 50% of the total voting power of Freedom, Freedom will nominate individuals designated by the voting block such that the controlling stockholders will have six designees on the board of directors if the number of directors is ten or eleven, or five designees on the board if the number of directors is nine or less and, in each case, assuming such nominees are elected;

between 40% and 50% of the total voting power of Freedom, Freedom will nominate individuals designated by the voting block such that the controlling stockholders will have five designees on the board of directors if the number of directors is ten or eleven, or four designees on the board if the number of directors is nine or less and, in each case, assuming such nominees are elected;

between 25% and 40% of the total voting power of Freedom, Freedom will nominate individuals designated by the voting block such that the controlling stockholders will have four designees on the board of directors if the number of directors is ten or eleven, or three designees on the board if the number of directors is nine or less and, in each case, assuming such nominees are elected;

between 10% and 25% of the total voting power of Freedom, Freedom will nominate individuals designated by the voting block such that the controlling stockholders will have two designees on the board of directors, assuming such nominees are elected;

less than 10% of the total voting power of Freedom, Freedom will have no obligation to nominate any individual that is designated by the controlling stockholders; and

In the event that any designee for any reason ceases to serve as a member of the board of directors during his or her term of office, the resulting vacancy on the board will be filled by an individual designated by the controlling stockholders.

Transfer Restrictions

No controlling stockholder may transfer voting stock except that transfers may be made to permitted transferees (as defined in the voting agreement) and in public markets as permitted by the GLG shareholders agreement among the GLG Shareowners, Berggruen Holdings and Marlin Equities described above.

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Drag-Along Rights

The controlling stockholders have agreed that if (1) the voting block proposes to transfer all of the voting stock held by it to any person other than a Principal or a Trustee, (2) such transfer would result in a change in control of Freedom, and (3) if such a transfer requires any approval under the voting agreement or under the GLG shareholders agreement, such transfer has been approved in accordance with the voting agreement and the GLG shareholders agreement, then if requested by the voting block, each other controlling stockholder will be required to sell all of his or its voting stock.

Restrictions on Other Agreements

The controlling stockholders have agreed not to enter into or agree to be bound by any other stockholder agreements or arrangements of any kind with any person with respect to any voting stock, including, without limitation, the deposit of any voting stock in a voting trust or forming, joining or in any way participating in or assisting in the formation of a group with respect to any voting stock, except to the extent contemplated by the shareholders agreement.

Transferees

Any permitted transferee (other than a limited partner of Sage Summit LP and Lavender Heights Capital LP) of a controlling stockholder will be subject to the terms and conditions of the voting agreement as if such permitted transferee were a controlling stockholder. Each controlling stockholder has agreed (1) to cause its respective permitted transferees to agree in writing to be bound by the terms and conditions of the voting agreement and (2) that such controlling stockholder will remain directly liable for the performance by its respective permitted transferees of all obligations of such permitted transferees under the voting rights agreement.

Agreement among Principals and Trustees

Concurrent with the execution of the purchase agreement, the Principals and the Trustees entered into an agreement among principals and trustees. A copy of the agreement among principals and trustees is attached as Annex G.

The agreement among principals and trustees provides that in the event a Principal voluntarily terminates his employment with Freedom for any reason prior to the fifth anniversary of the consummation of the acquisition, the following percentages of the Freedom common stock, Freedom Series A preferred stock or Exchangeable Shares held by that Principal and his Trustee as of the consummation of the acquisition, which we refer to as Forfeitable Interests, will be forfeited, together with the same percentage of all distributions received with respect to such Forfeitable Interests after the date the Principal voluntarily terminates his employment with Freedom, to the Principals who continue to be employed by Freedom or a subsidiary as of the applicable forfeiture date and their Trustees, as follows:

in the event the termination occurs prior to the first anniversary of the consummation of the acquisition, 82.5%;

in the event the termination occurs on or after the first but prior to the second anniversary of the consummation of the acquisition, 66%;

in the event the termination occurs on or after the second but prior to the third anniversary of the consummation of the acquisition, 49.5%;

in the event the termination occurs on or after the third but prior to the fourth anniversary of the consummation of the acquisition, 33%; and

in the event the termination occurs on or after the fourth but prior to the fifth anniversary of the consummation of the acquisition, 16.5%.

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For purposes of the agreement, forfeiture date means the date which is the earlier of (1) the date that is six months after the applicable date of termination of employment by the Principal and (2) the date on or after such termination date that is six months after the date of the latest publicly-reported disposition of Freedom s equity securities by any continuing Principal, which disposition is not exempt from the application of the provisions of Section 16(b) of the Exchange Act.

Shares of Freedom capital stock acquired by the Principals or their Trustees after the consummation of the acquisition (other than by operation of the agreement among principals and trustees), including shares acquired as a result of equity awards from Freedom, will not be subject to the forfeiture provisions described above.

None of the forfeited Forfeitable Interests will return to or benefit Freedom. Forfeited Forfeitable Interests will be allocated among the continuing Principals and their Trustees based on their and their permitted transferees collective pro rata ownership of all Forfeitable Interests held by the continuing Principals and their Trustees and their respective permitted transferees as of the Forfeiture Date. For purposes of this allocation, each Principal and his Trustee will be deemed to hold all Forfeitable Interests that he or his permitted transferee transfers to a charitable institution, even if such charitable institution subsequently transfers such Forfeitable Interests to any other person or entity.

To the extent that a continuing Principal or his Trustee receives Forfeitable Interests of another Principal or his Trustee or permitted transferee pursuant to the provisions described above, such Forfeitable Interests will be deemed to be Forfeitable Interests of the continuing Principal or his Trustee receiving such Forfeitable Interests for all purposes of the agreement among principals and trustees.

The transfer by a Principal or his Trustee of any Forfeitable Interests to a permitted transferee or any other person will in no way affect any of his obligations under the agreement. A Principal or his Trustee may, in his or its sole discretion, satisfy all or a portion of his or its obligations under the agreement among principals and trustees by substituting, for any shares of Freedom common stock or shares of Freedom Series A preferred stock and Exchangeable Shares otherwise forfeitable, an amount of cash equal to the closing trading price, on the business day immediately preceding the Forfeiture Date, of such shares on the securities exchange, if any, where such shares then primarily trade.

The forfeiture requirements contained in the agreement among principals and trustees will lapse with respect to a Principal and his Trustee and permitted transferees upon the death or disability of a Principal, unless he voluntarily terminated his employment with Freedom prior to such event.

The agreement among principals and trustees may be amended and the terms and conditions of the agreement may be changed or modified upon the approval of a majority of the Principals who remain employed by Freedom. Freedom and its stockholders have no ability to enforce any provision thereof or to prevent the Principals from amending the agreement among principals and trustees or waiving any forfeiture obligation.

THE NAME CHANGE PROPOSAL

Proposal

Assuming the acquisition proposal is approved by Freedom stockholders, Freedom is proposing to amend the certificate of incorporation to change its corporate name from Freedom Acquisition Holdings, Inc. to GLG Partners, Inc. immediately prior to consummation of the acquisition. In the judgment of our board of directors, the change of our corporate name is desirable to reflect our acquisition of GLG. Our current name will not adequately reflect our business operations in the event the acquisition with GLG is consummated. Accordingly, we believe that changing our name to GLG Partners, Inc. in connection with the acquisition will better reflect our operating business in connection with the acquisition. Stockholders will not be required to exchange outstanding stock certificates for new stock certificates if the amendments to the certificate of incorporation are adopted. If the acquisition proposal and the incentive plan proposal are not adopted, the pre-closing certificate amendment proposals, including this proposal, and the post-closing certificate amendment proposal will not be presented at the special meeting.

Required Vote

The adoption of the name change proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Freedom common stock on the record date. Abstentions and broker non-votes will have the same effect of a vote against the name change proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to amend our certificate of incorporation to change our name.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR APPROVAL OF THE ADOPTION OF THE NAME CHANGE PROPOSAL.

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THE AUTHORIZED SHARE PROPOSAL

Background

Assuming the acquisition proposal is approved by Freedom stockholders, we are seeking your approval to amend our certificate of incorporation to increase the total number of authorized shares of:

Freedom capital stock (of all classes) from 201,000,000 to 1,150,000,000;

Freedom common stock from 200,000,000 to 1,000,000,000; and

Freedom preferred stock from 1,000,000 to 150,000,000, of which it is expected that 58,904,993 shares (subject to adjustment) will be designated by the board of directors as a new series of Freedom preferred stock titled Series A voting preferred stock, which will be entitled to one vote per share and to vote as a single class with the common stock on all, matters but which will not be entitled to dividends or certain other distributions.

The increase in the number of authorized shares of stock is being undertaken as a result of and in conjunction with the acquisition of GLG. As a result of the issuance of shares of common stock and Series A preferred stock in the acquisition and the adoption of the LTIP, as described in the incentive plan proposal, we will require additional shares of common stock and preferred stock to be reserved in our certificate of incorporation. Accordingly, this proposal to amend our certificate of incorporation is conditioned upon and subject to the approval of the acquisition proposal and the incentive plan proposal.

As of June 30, 2007, there were 64,800,003 shares of Freedom common stock issued and outstanding. As a result of the dilutive effect of the issuance of our stock in the acquisition, for purposes of illustration, a stockholder who owned 5.0% of Freedom s outstanding shares of our common stock on June 30, 2007, would own approximately 1.1% of the outstanding shares of Freedom common stock immediately following the closing of the acquisition and after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding Freedom warrants.

In connection with our initial public offering, our sponsors agreed to purchase in equal amounts an aggregate of 5,000,000 units (consisting of one share of Freedom common stock and one warrant to purchase Freedom common stock) at $10.00 per unit ($50.0 million in the aggregate) in a private placement that will occur immediately prior to the consummation of any business combination, including the acquisition.

Of the 200,000,000 shares of common stock currently authorized, as of June 30, 2007, 64,800,003 shares were issued and outstanding and 69,300,003 shares were reserved for issuance upon exercise of our currently outstanding warrants. After giving effect to the co-investment, 69,800,003 shares will be issued and outstanding and 74,300,003 shares will be reserved for issuance upon exercise of then outstanding warrants. As a result, only 65,899,994 shares of common stock will remain available for future issuance. Of the 1,000,000 shares of preferred stock currently authorized, none are issued and outstanding.

Pursuant to the purchase agreement and subject to adjustment, we will issue or reserve for issuance:

230,000,000 shares of Freedom common stock, including:

138,095,007 shares of common stock, including 10,000,000 shares of common stock to be issued for the benefit of GLG s employees, key personnel and certain other individuals;

33,000,000 shares of common stock issuable by Freedom upon exercise of certain put or call rights with respect to 33,000,000 ordinary shares of FA Sub 1 Limited; and

58,904,993 shares of common stock to be issued upon the exchange of 58,904,993 Exchangeable Shares, on a one-for-one basis; and

58,904,993 shares of Series A preferred stock.

Each of the ordinary shares to be issued by FA Sub 1 Limited may be put by the holder to, or called by, Freedom immediately following consummation of the acquisition in exchange for one share of Freedom

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common stock. In addition, it is anticipated that pursuant to the incentive plan proposal, we will authorize shares of Freedom common stock for issuance under the LTIP. Accordingly, (1) an increase in the number of authorized shares of all capital stock, as well as common stock and preferred stock, is necessary in order to insure a sufficient number of shares are available for issuance upon the consummation of the acquisition transaction and the adoption of the LTIP and (2) this proposal to increase the authorized number of shares of common stock is conditioned upon the approval of the acquisition proposal and the incentive plan proposal, and the board of directors, even if approved, will not undertake to amend our certificate of incorporation if those other proposals are not approved.

The issuance of the shares of common stock in connection with the acquisition will be substantially dilutive to our current stockholders.

The issuance of common stock and Series A preferred stock in connection with the acquisition will be made in reliance upon an available exemption from registration under the Securities Act, by reason of Section 4(2) thereof, Regulation S or other appropriate exemptions, to persons who are accredited investors, as defined in Regulation D promulgated under the Securities Act and who meet other suitability requirements established for the private placement. Freedom did not independently conclude that each GLG Shareowner met the definition of an accredited investor within the meaning of the federal securities laws; however, each investor has represented, in the purchase agreement, that he or it is an accredited investor , which representations have been relied upon by Freedom to support the reliance upon such claimed exemption.

IF OUR STOCKHOLDERS DO NOT APPROVE THIS PROPOSAL, WE WILL NOT BE ABLE TO EFFECTUATE THE TRANSACTIONS DISCUSSED IN THE ACQUISITION PROPOSAL AND THE INCENTIVE PLAN PROPOSAL.

Proposal

Under the proposal, the first paragraph of Article Fourth of the certificate of incorporation of Freedom will be amended in its entirety to read as provided in the form of restated certificate of incorporation attached as Annex H.

Our board of directors has recommended that our stockholders approve the amendment to the certificate of incorporation to increase the number of our authorized shares. The proposed amendment would provide a sufficient number of available shares to enable us to close the transactions discussed in the acquisition proposal and would provide the board of directors with the ability to issue additional shares of common stock without requiring stockholder approval of such issuances, except as otherwise may be required by applicable law or the rules of any stock exchange or trading system on which the securities may be listed or traded, including the American Stock Exchange and/or the New York Stock Exchange. Other than as previously disclosed, our board of directors does not intend to issue any common stock except on terms that the board of directors deems to be in the best interest of Freedom and our stockholders.

Effect of the Authorized Share Proposal on Existing Stockholders

Advantages. Prior to voting, each stockholder should consider the fact that the authorized share proposal is a prerequisite to the issuance of shares of capital stock which will be used to complete the acquisition of the Acquired Companies described in the acquisition proposal. Each stockholder should consider the fact that if we do not complete the acquisition and related share issuances, Freedom will continue as a blank check company until we find another suitable company to acquire or the trust is liquidated and Freedom ceases to operate as a public blank check company.

Disadvantages. The authorized share proposal, in conjunction with the acquisition proposal, will result in a substantial dilutive effect on our current stockholders. Our current stockholders aggregate percentage ownership will decline significantly as a result of the issuance of our common stock in the acquisition. The number of shares issued in connection with the acquisition will increase substantially the number of shares of common stock currently outstanding. This means that our current stockholders will own a smaller interest in us as a result of the additional share issuances. On a primary basis, current stockholders will be reduced from

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owning 100% of the outstanding common stock to owning approximately 23% of the outstanding capital stock.

All shares of common stock issued in connection with the acquisition will be entitled to registration rights. Consequently, if these shares are registered, the shares may be freely transferable without restriction under the Securities Act, absent other securities law restrictions. Such free transferability could materially and adversely affect the market price of our common stock if a sufficient number of such shares are sold in the market.

As a result of the dilutive effect of the issuance, for purposes of illustration, a stockholder who owned 5.0% of the outstanding shares of Freedom common stock on June 30, 2007, would own approximately 1.1% of the outstanding shares of Freedom capital stock immediately following the closing of the acquisition after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding Freedom warrants.

Shares Eligible for Future Sale

Upon consummation of the acquisition, Freedom will have the economic equivalent of 294,800,003 shares of common stock issued and outstanding (299,800,003 shares upon issuance of the co-investment common stock), of which 52,800,000 shares were issued in our initial public offering and are freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by one or more of our affiliates within the meaning of Rule 144 under the Securities Act. All of the remaining shares are restricted securities under Rule 144 because they were or will be issued in private transactions not involving a public offering. Of these shares, the 230,000,000 shares issued in connection with the acquisition of GLG will not be eligible for sale under Rule 144 prior to one year from the date of the closing of the acquisition.

Rule 144

In general, under Rule 144 as currently in effect, a person who has beneficially owned restricted shares of Freedom common stock for at least one year would be entitled to sell within any three-month period a number of shares that does not exceed the greater of either of the following:

one percent of the total number of shares of common stock then outstanding, which will equal 2,408,950 shares immediately after the consummation of the acquisition; or

the average weekly trading volume of common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales under Rule 144 are also limited by manner of sale provisions and notice requirements and to the availability of current information about us.

Rule 144(k)

Under Rule 144(k), a person who is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding a sale, and who has beneficially owned the restricted shares proposed to be sold for at least two years, including the holding period of any prior owner other than an affiliate, is entitled to sell its shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

SEC Position on Rule 144 Sales

The SEC has taken the position that promoters or affiliates of a blank check company and their transferees, both before and after a business combination, would act as underwriters under the Securities Act when reselling the securities of a blank check company. Based on that position, Rule 144 would not be available for resale transactions despite technical compliance with the requirements of Rule 144, and such securities can be resold only through a registered offering.

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Description of Capital Stock

Freedom s authorized capital stock currently consists of 200,000,000 shares of common stock, par value $0.0001 per share, and 1,000,000 shares of undesignated preferred stock, par value $0.0001 per share. As of June 30, 2007, there were 64,800,003 shares of common stock issued and outstanding held by six holders of record and no shares of preferred stock issued and outstanding. Assuming the authorized share proposal and the acquisition proposal are approved, Freedom s certificate of incorporation will be amended to increase the total number of authorized shares of:

Freedom capital stock (of all classes) from 201,000,000 to 1,150,000,000;

Freedom common stock from 200,000,000 to 1,000,000,000; and

Freedom preferred stock from 1,000,000 to 150,000,000, of which it is expected that 58,904,993 shares (subject to adjustment) will be designated by the board of directors as a new series of Freedom preferred stock titled Series A voting preferred stock, which will be entitled to one vote per share and to vote as a single class with the common stock on all matters, but which will not be entitled to dividends or certain other distributions.

The purpose of the remaining authorized but unissued securities described in the authorized share proposal is to provide Freedom with a sufficient number of available shares for possible acquisitions, financings, equity compensation and other corporate purpose. These additional shares will provide Freedom with the ability to issue additional shares of common stock without requiring stockholder approval of such issuances, except as otherwise may be required by applicable law or the rules of any stock exchange or trading system on which the securities may be listed or traded, including the American Stock Exchange and/or the New York Stock Exchange.

Please refer to Risk Factors Certain provisions in our proposed organizational documents and Delaware law will make it difficult for someone to acquire control of us. for a description of certain provisions of our certificate of incorporation that would have an effect of delaying, deferring or preventing a change of control of our company and that would operate only with respect to an extraordinary corporate transaction involving us (or any of our subsidiaries), such as a merger, reorganization, tender offer, sale or transfer of substantially all of our assets, or liquidation.
acquisition:

The following table sets forth information regarding shares of Freedom common stock and preferred stock:

Shares	Common Stock	Preferred Stock
Currently authorized	200,000,000	1,000,000
Issued and outstanding	64,800,003*	
Reserved for issuance under warrants	74,300,003*	
Authorized after approval of the authorized share proposal	1,000,000,000	150,000,000
To be issued or reserved for issuance in the acquisition	230,000,000	58,904,993
Issued and outstanding after the acquisition	294,800,003*	58,904,993
Reserved for issuance under LTIP		

* Amounts do not reflect the sponsors co-investment for 5,000,000 units immediately prior to the closing of the acquisition. After giving to the co-investment, the number of currently issued and outstanding shares, shares reserved for issuance under warrants and issued and outstanding immediately after the acquisition will be

69,800,003, 79,300,003 and 299,800,003, respectively

Common Stock

It is expected that 230,000,000 shares of common stock will be issued or reserved for issuance in connection with the acquisition. Upon consummation of the acquisition, there will be the equivalent of 294,800,003 shares of our common stock outstanding (299,800,003 shares upon issuance of the co-investment

common stock). Except for such voting rights that may be given to one or more series of preferred stock issued by the board of directors pursuant to the blank check power granted by our certificate of incorporation or required by law, holders of common stock will have one vote per share and the right to vote on the election of our directors and all other matters requiring stockholder action. Holders of common stock are entitled to receive such dividends, if any, as may be declared from time to time by our board of directors in its discretion out of funds legally available therefor. The payment of dividends, if ever, on the common stock may be subject to the prior payment of dividends on any outstanding preferred stock with dividend rights, of which we expect that following the acquisition there will be only the Series A preferred stock, which will not be entitled to dividends. Upon our dissolution, our common stockholders will be entitled to receive pro rata all assets remaining available for distribution to stockholders after payment of all liabilities and provision for the liquidation of any shares of preferred stock with preferential liquidation rights, if any, at the time outstanding. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors. Our common stockholders have no conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to the common stock.

Preferred Stock

Our certificate of incorporation provides that one or more series of preferred stock may be created from time to time by our board of directors. Our board of directors will be authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, optional or other special rights and any qualifications, limitations and restrictions thereof, applicable to the shares of each series. Our board of directors will be able to, without stockholder approval, create and issue preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of our board of directors to issue preferred stock without stockholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management. We have no preferred stock outstanding at the date hereof.

The purchase agreement provides that our board will create the Series A preferred stock as a new series of preferred stock and it is expected that 58,904,993 shares of such Series A preferred stock will be issued in connection with the acquisition, subject to adjustment as provided therein. The holders of Series A preferred stock will have one vote per share and the right, together with the holders of common stock voting as a single class, to vote on the election of our directors and all other matters requiring stockholder action. In addition, the holders of Series A preferred stock will have a separate right to vote as a single class on (1) amendments to the certificate of incorporation that effect a division or combination of our common stock unless such amendment proportionately divides or combines the Series A preferred stock, (2) the declaration of any dividend or distribution on our common stock (other than in connection with a dissolution and liquidation) in shares of common stock unless a proportionate dividend or distribution is declared on the Series A preferred stock, and (3) a division or subdivision of the Series A preferred stock into a greater number of shares of Series A preferred stock or a combination or consolidation of the Series A preferred stock.

The Series A preferred stock will not be entitled to receive dividends. In the event of our liquidation, the holders of the Series A preferred stock are only entitled to receive, in preference to the common stock, $0.0001 per share, and nothing more. The shares of Series A preferred stock will be subject to transfer restrictions intended to cause such shares to be transferred only together with the Exchangeable Shares. Each share of Series A preferred stock will be issued with an Exchangeable Share of FA Sub 2 Limited. Each Exchangeable Share is exchangeable at any time at the election of the holder for one share of Freedom common stock. For each Exchangeable Share that is exchanged for common stock, a corresponding share of Series A preferred stock will automatically be redeemed for its par value of $0.0001 per share and become authorized but unissued preferred stock of Freedom. Except in connection with the exchange of the Exchangeable Shares, the holder of Series A preferred stock has no conversion, preemptive or other

subscription rights and there are no sinking fund provisions applicable to the Series A preferred stock.

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FA Sub 2 Limited Exchangeable Shares

The purchase agreement provides that 58,904,993 Exchangeable Shares will be issued in connection with the acquisition, subject to adjustment as provided therein. The holders of Exchangeable Shares will have the right to vote on certain major corporate action of FA Sub 2 Limited, including the following:

- a voluntary liquidation or acts or failure to act that are designed to result in a liquidation;
- any amendment of the support agreement;
- any amendment of the memorandum or articles of association adverse to the holders of Exchangeable Shares; and
- a reincorporation, merger, consolidation or sale of all or substantially all the assets of FA Sub 2 Limited or similar action (other than where the successor remains an affiliate of Freedom, the holder of Exchangeable Shares are not adversely affected and receive shares in the successor substantially identical in their rights as the Exchangeable Shares).

The Exchangeable Shares are entitled, subject to compliance with applicable companies laws in the British Virgin Islands, to special distributions with respect to the holder s share of taxable income of FA Sub 2 Limited and additional distributions in an amount equal to the distributions paid by Freedom to its shareholders on an equivalent number of shares of common stock into which the Exchangeable Shares are exchangeable. In addition, the holder of Exchangeable Shares will share in liquidation proceeds of FA Sub 2 Limited on a pro-rata basis based on the number of shares of Freedom common stock the holder of the Exchangeable Shares would hold upon exchange of the Exchangeable Shares relative to the total number of shares of Freedom common stock immediately after the consummation of the acquisition, after giving effect to the exchange of the Exchangeable Shares (taking into account all prior distributions). The holder of Exchangeable Shares may require FA Sub 2 Limited to exchange (in the manner prescribed by the memorandum and articles of association of FA Sub 2 Limited) any or all of the Exchangeable Shares for Freedom common stock. The exchange ratio is initially one share of Freedom common stock for each Exchangeable Share, subject to certain anti-dilution provisions, including that FA Sub 2 Limited must adjust the exchange ratio in the event of a subdivision or combination of the shares of either FA Sub 2 Limited or Freedom. The Exchangeable Shares are transferable only together with the corresponding Series A preferred stock. The Exchangeable Shares may be transferred only after the holder has held the Exchangeable Shares for five years, subject to the consent and right of first refusal of FA Sub 1 Limited (except for transfers to certain permitted transferees, as described in the organizational documents of FA Sub 2 Limited, which may, subject to compliance with the memorandum and articles of association of FA Sub 2 Limited, be effected within the first five years of ownership). FA Sub 1 Limited may require the holder of Exchangeable Shares to sell its Exchangeable Shares if FA Sub 1 Limited decides to sell its own interest in FA Sub 2 Limited.

Warrants

Public Stockholders Warrants

In connection with its initial public offering, Freedom issued 52,800,000 warrants to purchase Freedom common stock to the public as part of units, all of which were outstanding as of June 30, 2007. Each public stockholders warrant entitles the holder to purchase one share of common stock at a price of $7.50 per share, subject to adjustment as discussed below, at any time commencing on the later of (1) the consummation of the acquisition or (2) December 28, 2007, provided in each case that there is an effective registration statement covering the shares of common stock underlying the warrants in effect.

The warrants will expire on December 28, 2011. Once the warrants become exercisable, we may call the warrants for redemption:

in whole but not in part;

at a price of $0.01 per warrant;

upon not less than 30 days prior written notice of redemption to each warrant holder; and

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if, and only if, the reported last sale price of our common stock equals or exceeds $14.25 per share for any 20 trading days within a 30-trading day period ending on the third business day prior to the notice of redemption to warrant holders.

The exercise price and number of shares of common stock issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or our recapitalization, reorganization, merger or consolidation. However, there will be no such adjustments for issuances of common stock at a price below the warrant exercise price. Warrant holders do not have the rights or privileges of holders of common stock, including voting rights, until they exercise their warrants and receive shares of common stock.

No warrants will be exercisable unless at the time of exercise we have a registration statement under the Securities Act in effect covering the shares of common stock issuable upon the exercise of the warrants and a current prospectus relating to these shares of common stock. Under the warrant agreement, we have agreed that prior to the commencement of the exercise period, we will file a registration statement with the SEC for the registration of the common stock issuable upon exercise of the warrants, use our best efforts to cause the registration statement to become effective on or prior to the commencement of the exercise period and to maintain a current prospectus relating to the common stock issuable upon the exercise of the warrants until the warrants expire or are redeemed.

Founders Warrants

Prior to its initial public offering, Freedom issued 12,000,003 warrants to purchase Freedom common stock to its founders as part of units in a private placement, all of which are outstanding as of June 30, 2007. The founders warrants are substantially similar to the public stockholders warrants, except that the founders warrants:

will become exercisable after our consummation of the acquisition if and when the last sales price of our common stock exceeds $14.25 per share for any 20 trading days within a 30-trading day period beginning 90 days after such acquisition; and

are non-redeemable so long as they are held by the founders or their permitted transferees.

The holders of these warrants are permitted to transfer such warrants (including the common stock to be issued upon exercise of such warrants) in certain limited circumstances, such as to our officers and our directors, and other persons or entities associated with such holder (permitted warrant transferees), but the permitted warrant transferees receiving such warrants will be subject to the same sale restrictions imposed on the holders. In connection with the acquisition, each of the founders has agreed, subject to certain exceptions, not to sell or otherwise transfer any of its founders warrants (including the common stock to be issued upon exercise of the founders warrants) for a period of one year from the date of the consummation of the acquisition.

Pursuant to the registration rights contained in the GLG Shareholders Agreement, the founders warrants carry registration rights as specified in the agreement.

Sponsors Warrants and Co-Investment Warrants

In connection with its initial public offering, Freedom issued 4,500,000 warrants to purchase common stock to its sponsors in a private placement, all of which are outstanding as of June 30, 2007. In addition, immediately prior to the consummation of the acquisition, Freedom s sponsors will directly or indirectly acquire an additional 5,000,000 warrants to purchase common stock as part of the co-investment by the sponsors of $50.0 million for 5,000,000 units in a private placement. The sponsors warrants and the co-investment warrants have terms and provisions that are

substantially similar to the public stockholders warrants, except that these warrants (including the common stock to be issued upon exercise of these warrants) are not transferable or salable by their holders or their permitted warrant transferees until one year after the closing of the acquisition, except to permitted warrant transferees. In addition, the sponsors warrants are non-redeemable so long as the sponsors or their permitted warrant transferees hold such warrants, while the co-

investment warrants are subject to the same redemption provisions as those to which the public stockholders warrants are subject.

Pursuant to the registration rights contained in the GLG Shareholders Agreement, the sponsors warrants and co-investment warrants carry registration rights as specified in the agreement.

Required Vote

The adoption of the authorized share proposal will require the affirmative vote of holders of at least a majority of the outstanding shares of our common stock. Abstentions and broker non-votes, will have the same effect as a vote against the authorized share proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to amend our certificate of incorporation to increase our authorized shares.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR APPROVAL OF ADOPTION OF THE AUTHORIZED SHARE PROPOSAL.

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THE SUPER-MAJORITY VOTE PROPOSAL

Proposal

Assuming the acquisition proposal is approved by Freedom stockholders, Freedom is proposing to increase from the affirmative vote of a majority of the quorum present at the meeting or a majority of the outstanding shares of Freedom common stock, as the case may be, to the affirmative vote of at least 662/3% of the combined voting power of all outstanding shares of Freedom capital stock entitled to vote generally, voting together as a single class, the vote required for Freedom s stockholders to (1) adopt, alter, amend or repeal the by-laws as set forth in paragraph C of Article Seventh, (2) remove a director (other than directors elected by a series of preferred stock of Freedom, if any, entitled to elect a class of directors) from office, with or without cause, as set forth in new paragraph G of Article Seventh, and (3) amend, alter or repeal certain provisions of the certificate of incorporation which require a stockholder vote higher than a majority vote, including the amendment provision itself, or to adopt any provision inconsistent with those provisions as set forth in Article Ninth, each as more fully set forth in the form of Freedom s restated certificate of incorporation attached as Annex H. If the acquisition proposal is not adopted, the pre-closing certificate amendment proposals, including this proposal, and the post-closing certificate amendment proposal will not be presented at the special meeting.

In the judgment of our board of directors, the super-majority vote proposal is desirable because it may have the effect of delaying or deterring unsolicited takeover transactions. Our board of directors determined that it was appropriate to adopt these amendments to our certificate of incorporation, notwithstanding the fact that such provisions are absent from our current certificate of incorporation, in order to enhance stockholder value by helping us thwart hostile or coercive overtures that are not supported by our board of directors.

Required Vote

The adoption of the super-majority vote proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Freedom common stock on the record date. Abstentions and broker non-votes will have the same effect as a vote against the super-majority vote proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to amend our certificate of incorporation to increase to the affirmative vote of at least 662/3% of the combined voting power of all outstanding shares of Freedom capital stock entitled to vote generally, voting together as a single class, the vote required for Freedom s stockholders to (1) adopt, alter, amend or repeal the by-laws, (2) remove a director (other than directors elected by a series of preferred stock of Freedom, if any, entitled to elect a class of directors) from office, with or without cause, and (3) amend, alter or repeal certain provisions of the certificate of incorporation which require a stockholder vote higher than a majority vote.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR APPROVAL OF THE ADOPTION OF THE SUPER-MAJORITY VOTE PROPOSAL.

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THE OTHER PRE-CLOSING CERTIFICATE AMENDMENTS PROPOSAL

Proposal

Assuming the acquisition proposal is approved by Freedom stockholders, Freedom is proposing to amend certain other provisions of the certificate of incorporation relating to, among other things, Freedom s registered agent as set forth in Article Second, the ability to call special meetings of stockholders as set forth in paragraph H of Article Seventh, the scope of the indemnification of officers and directors as set forth in paragraph B of Article Eighth and certain other ministerial amendments, each as more fully set forth in the form of Freedom s restated certificate of incorporation attached as Annex H. If the acquisition proposal is not adopted, the pre-closing certificate amendment proposals, including this proposal, and the post-closing certificate amendment proposal will not be presented at the special meeting.

In the judgment of our board of directors, the other pre-closing certificate amendments proposal is desirable in order to (1) ensure that stockholders meetings are called in an orderly manner, (2) ensure that officers, directors and others benefit from the full scope of the indemnification provisions and (3) make certain ministerial changes to the certificate of incorporation after giving effect to the various amendments contained in the pre-closing certificate amendment proposals. You are urged to read the restated certificate of incorporation in its entirety.

Required Vote

The adoption of the other pre-closing certificate amendments proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Freedom common stock on the record date. Abstentions and broker non-votes will have the same effect as a vote against the super-majority vote proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to amend certain other provisions of the certificate of incorporation relating to, among other things, Freedom s registered agent, the ability to call special meetings of stockholders, the scope of the indemnification of officers and directors and certain other ministerial amendments, as more fully set forth in the form of Freedom s restated certificate of incorporation attached as Annex H.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR APPROVAL OF THE ADOPTION OF THE OTHER PRE-CLOSING CERTIFICATE AMENDMENTS PROPOSAL.

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THE POST-CLOSING CERTIFICATE AMENDMENT PROPOSAL

Proposal

Assuming the acquisition proposal is approved by Freedom stockholders, Freedom is proposing to remove, effective after the consummation of the acquisition, certain provisions of Article Third and Article Fourth, paragraph B and the entirety of Article Fifth of Freedom s certificate of incorporation and to add provisions in Article Fourth, paragraph B regarding dividends and distributions. The form of restated certificate of incorporation as expected to be adopted and filed after giving effect to all of the proposed amendments described in the pre-closing certificate amendment proposals and the post-closing certificate amendment proposal is attached as Annex H. If the acquisition proposal is not adopted, the pre-closing certificate amendment proposals and this post-closing certificate amendment proposal will not be presented at the special meeting.

In the judgment of our board of directors, the post-closing certificate amendment proposal is desirable because certain provisions of Article Third and Article Fourth, paragraph B and the entirety of Article Fifth relate to the operation of Freedom as a blank check company prior to the consummation of a business combination. Article Third, Article Fourth, paragraph B and Article Fifth require, among other things, that proceeds from Freedom s initial public offering be held in a trust account until a business combination or liquidation of the Freedom has occurred and also requires that the terms of a proposed business combination be submitted for approval by Freedom s stockholders. These sections will not be applicable upon consummation of the acquisition.

Required Vote

The adoption of the post-closing certificate amendment proposal will require the affirmative vote of the holders of a majority of the outstanding shares of Freedom common stock on the record date. Abstentions and broker non-votes will have the same effect as a vote against the post-closing certificate amendment proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to amend our certificate of incorporation to remove, effective after the consummation of the acquisition, certain provisions of Article Third and Article Fourth, paragraph B and the entirety of Article Fifth and to add provisions in Article Fourth, paragraph B regarding dividends and distributions.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR APPROVAL OF THE ADOPTION OF THE POST-CLOSING CERTIFICATE AMENDMENT PROPOSAL.

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THE INCENTIVE PLAN PROPOSAL

Background

Assuming the acquisition proposal is approved by Freedom stockholders, we are seeking your approval on the adoption of the Freedom 2007 Long-Term Incentive Plan (the LTIP) providing for the issuance of a maximum of shares of common stock in connection with the grant of options and/or other stock-based or stock-denominated awards (subject to adjustment and the other restrictions described below under Shares Available).

On June 22, 2007, our board of directors unanimously approved the LTIP, and recommended that the LTIP be submitted to the stockholders for approval at the special meeting. On , 2007, our board approved the maximum number of shares of common stock subject to awards under the LTIP. If approved by the stockholders at the special meeting, the LTIP will become effective as of the closing of the acquisition. A copy of the LTIP is attached as Annex I.

The LTIP being submitted under this proposal does not currently have any securities issued pursuant to it and no future issuances which may be awarded have been determined, approved or granted at this time.

Description of the Freedom 2007 Long-Term Incentive Plan

The following is a brief description of certain important features of the LTIP, the full text of which is attached as Annex I. This summary does not purport to be complete and is qualified in its entirety by reference to Annex I. **If the proposal to adopt the LTIP is approved, we intend to promptly file a registration statement on Form S-8 under the Securities Act, registering the shares available for issuance under the LTIP. If the acquisition proposal, each of the certificate amendment proposals and the post-closing certificate amendment are not approved, then Freedom will not adopt the LTIP.**

The LTIP permits the Compensation Committee of our board of directors (the Committee) to grant awards from time to time as stock options (which may be incentive stock options eligible for special tax treatment or non-qualified stock options), stock, restricted stock, restricted stock units, stock appreciation rights (which may be in conjunction with or separate and apart from a grant of stock options), performance units and performance shares. Any of these types of awards (except stock options or stock appreciation rights, which are deemed to be performance based) may be granted as performance compensation awards intended to qualify as performance based compensation for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code).

Purpose; Eligibility.

The purpose of the LTIP is to promote the interests of our company and our stockholders by providing incentive compensation opportunities to assist in:

- attracting, motivating and retaining employees, service providers, including certain individuals who are participants in the limited partner profit share arrangement, and non-employee directors; and
- aligning the interests of our employees, service providers and non-employee directors who participate in the LTIP with the interests of our stockholders.

The LTIP will remain in effect until all awards under the LTIP have been exercised or terminated under the terms of the LTIP and applicable award agreements, provided that awards under the LTIP may be granted only within ten years from the LTIP s effective date.

Awards under the LTIP may be made to an individual who is (1) an employee of ours or any of our subsidiaries, (2) a service provider of ours or any of our subsidiaries or (3) a non-employee director of ours.

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Terms of Awards

Stock Options. A stock option is an option to purchase a specific number of shares of our common stock exercisable at such time or times, and subject to such terms and conditions, as the Committee may determine consistent with the terms of the LTIP, including the following:

The exercise price of an option will not be less than the fair market value of our common stock on the date the option is granted;

No option may be exercisable more than ten years after the date the option is granted;

The exercise price of an option will be paid in cash or, at the discretion of the Committee, in shares of our common stock or in a combination of cash and our common stock; and

No fractional shares of our common stock will be issued or accepted.

Incentive stock options, which are options that comply with the requirements of Section 422 of the Code, are subject to the following additional provisions:

The aggregate fair market value (determined at the time of grant) of the shares of our common stock subject to incentive stock options that are exercisable by one person for the first time during a particular calendar year may not exceed the maximum amount permitted under the Code (currently $100,000); provided, however, that if the limitation is exceeded, the incentive stock options in excess of such limitation will be treated as non-qualified stock options;

No incentive stock option may be granted under the LTIP more than ten years after the effective date of the LTIP; and

No incentive stock option may be granted to any participant who on the date of grant is not our employee or an employee of one of our subsidiaries within the meaning of Code Section 424(f).

Stock. Shares of common stock may be issued to participants without any restrictions on transfer or other vesting requirements.

Restricted Stock. Shares of restricted stock are shares of our common stock that are issued to a participant subject to restrictions on transfer and such other restrictions on incidents of ownership as the Committee may determine, which restrictions will lapse at such time or times, or upon the occurrence of such event or events, including but not limited to the achievement of one or more specific goals with respect to our performance, the performance of a business unit (which may but need not be a subsidiary) or the performance of the participant over a specified period of time as the Committee may determine. Subject to the specified restrictions, the participant as owner of the shares of restricted stock will have the rights of the holder thereof, except that the Committee may provide at the time of the award that any dividends or other distributions paid with respect to the shares of restricted stock while subject to the restrictions will be accumulated, with or without interest, or reinvested in our common stock and held subject to the same restrictions as the restricted stock and such other terms and conditions as the Committee will determine.

Restricted Stock Units. A restricted stock unit, or RSU, is an award of a contractual right to receive at a specified future date an amount based on the fair market value of one share of our common stock, subject to such terms and conditions as the Committee may establish. RSUs that become payable in accordance with their terms and conditions will be settled in cash, shares of our common stock, or a combination of cash and our common stock, as determined

by the Committee. The Committee may provide for the accumulation of dividend equivalents in cash, with or without interest, or the reinvestment of dividend equivalents in our common stock held subject to the same conditions as the RSU and such terms and conditions as the Committee may determine. No participant who holds RSUs will have any ownership interest in the shares of common stock to which such RSUs relate until and unless payment with respect to such restricted stock units is actually made in shares of common stock.

Stock Appreciation Rights. A stock appreciation right, or SAR, is the right to receive a payment measured by the increase in the fair market value of a specified number of shares of our common stock from

the date of grant of the SAR to the date on which the participant exercises the SAR. Under the LTIP, SARs may be (1) freestanding SARs or (2) tandem SARs granted in conjunction with an option, either at the time of grant of the option or at a later date, and exercisable at the participant s election instead of all or any part of the related option. The payment to which a participant is entitled on exercise of a SAR may be in cash, in our common stock valued at fair market value on the date of exercise or partly in cash and partly in our common stock, as the Committee may determine. For purposes of the LTIP, fair market value means the closing sale price of our common stock as reported by the New York Stock Exchange, Inc. (or if our common stock is not then traded on the New York Stock Exchange, Inc., the closing sale price of our common stock on the stock exchange or over-the-counter market on which our common stock is principally trading on the relevant date) on the date of a determination (or on the immediately preceding day our common stock was traded if it was not traded on the date of a determination).

Performance Units. A performance unit is an award denominated in cash, the amount of which may be based on the achievement, over a specified period of time, of one or more specific goals with respect to our performance, the performance of a business unit (which may but need not be a subsidiary) or the performance of a participant to whom the performance units are granted. The annual amount that may be paid to any one participant with respect to performance units will not exceed $ million per year. The payout of performance units may be in cash, shares of our common stock valued at fair market value on the payout date (or at the sole discretion of the Committee, the day immediately preceding that date), or a combination of cash and shares of our common stock, as the Committee may determine.

Performance Shares. A performance share is an award denominated in shares of our common stock, the amount of which may be based on the achievement, over a specified period of time, of one or more specific goals with respect to our performance, the performance of a business unit (which may but need not be a subsidiary) or the performance of a participant to whom the performance shares are granted. The payout of performance shares may be in cash based on the fair market value of our common stock on the payout date (or at the sole discretion of the Committee, the day immediately preceding that date), shares of our common stock, or a combination of cash and shares of our common stock, as the Committee may determine.

Performance Compensation Awards. The Committee may designate any award (other than an option or SAR) at the time of its grant as a performance compensation award so that the award constitutes qualified performance-based compensation under Code Section 162(m), to the extent applicable. With respect to each performance compensation award, the Committee will establish, in writing, a performance period, performance measure(s), performance goal(s) and performance formula(s) within 90 days after the beginning of the performance period. Once established for a performance period or such other period as may be required by Code Section 162(m), such items may not be amended or otherwise modified if and to the extent such amendment or modification would cause the compensation payable pursuant to the award to fail to constitute qualified performance based compensation under Code Section 162(m).

The performance measure established by the Committee will measure our performance, the performance of a business unit (which may or may not be a subsidiary of ours) or both for a performance period and will be based on assets under management; return on client assets; basic or diluted earnings per share; revenue; operating income; adjusted net income; earnings before or after interest, taxes, depreciation or amortization; return on capital; return on invested capital; return on equity; return on assets; return on net assets; cash flow; operating cash flow; free cash flow (operating cash flow plus proceeds from property dispositions less capital expenditures); working capital; stock price; or total shareholder return and other objectively determined measures. Each such measure, to the extent applicable, will be, if so determined by the Committee at the time the award is granted and to the extent permitted under Code Section 162(m), adjusted to omit the effects of extraordinary items, gain or loss on the disposal of a business segment, unusual or infrequently occurring events and transactions, cumulative effects of changes in accounting principles and other objectively determined measures. Performance measures may vary from performance period to performance period and from participant to participant and may be established on a stand-alone basis, in tandem or in the

alternative.

Awards to Non-Employee Directors. Any of our non-employee directors may be granted an award with terms and conditions including restrictions as determined from time to time by our board of directors or by the Committee. At such times as it may determine, with respect to awards not yet granted, our board of directors may change (1) the form of any award to our non-employee directors provided for in the LTIP to any other type of award set forth in the LTIP and (2) the size and the vesting period of any such award.

Deferrals. The Committee may require or permit LTIP participants to defer the issuance or vesting of shares of our common stock or the settlement of awards under rules and procedures it may establish under the LTIP. The Committee may also provide that deferred settlements include the payment of, or crediting of interest on, the deferral amounts, or the payment or crediting of dividend equivalents on deferred settlements in shares of our common stock. No deferral will be permitted if it will result in the LTIP becoming subject to the Employee Retirement Income Security Act of 1974, as amended, or ERISA. Any deferral will comply with Code Section 409A to the extent that such Section is applicable to the deferral.

Administration

The LTIP and all awards under the LTIP are administered by the Committee, which has full and complete authority, in its sole and absolute discretion:

- to exercise all of the powers granted to it under the LTIP;
- to construe, interpret and implement the LTIP and any related document;
- to prescribe, amend and rescind rules relating to the LTIP;
- to make all determinations necessary or advisable in administering the LTIP; and
- to correct any defect, supply any omission and reconcile any inconsistency in the LTIP.

Any member of the Committee who, at the time of any proposed grant of one or more awards, is not both an outside director as defined for purposes of Code Section 162(m) and a non-employee director as defined in Rule 16b-3(b)(3)(i) under the Exchange Act (or any successor provision) will abstain from and take no part in the Committee s action on the proposed grant.

It is our intent that the LTIP and awards under the LTIP satisfy, and be interpreted in a manner that satisfy, (1) in the case of participants who are or may be our executive officers or non-employee directors, the applicable requirements of Rule 16b-3 under the Exchange Act, so that such persons will be entitled to the benefits of Rule 16b-3, or other exemptive rules under Section 16 of the Exchange Act, and will not be subjected to avoidable liability under Section 16(b) of the Exchange Act; (2) in the case of performance compensation awards to covered employees, as defined in the Code, the applicable requirements of Code Section 162(m), if applicable; and (3) either the requirements for exemption under Code Section 409A or the requirements for compliance with Code Section 409A. However, there can be no assurance that the LTIP awards will in fact satisfy these requirements

The Committee may delegate, and revoke the delegation of, all or any portion of its authority and powers under the LTIP to our Co-Chief Executive Officers, except that the Committee may not delegate any discretionary authority with respect to awards granted to our Co-Chief Executive Officers or non-employee directors or substantive decisions or functions regarding the LTIP or awards to the extent they are inconsistent with the intent expressed in the previous paragraph or to the extent prohibited by applicable law.

Shares Available

Subject to adjustment in the event of any change in or affecting shares of our common stock, including but not limited to stock dividends, stock splits and reorganizations, the number of shares of our common stock which may be delivered upon exercise of options or upon grant or in payment of other awards under the LTIP will not exceed . Under the LTIP, all shares of our common stock with respect to the unexercised, undistributed or unearned portion of any terminated or forfeited award will be available for further awards.

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Subject to the adjustment provisions discussed below under Adjustment Provisions , no single LTIP participant will receive annual awards of more than stock options (measured by the number of shares of common stock underlying such stock options), SARS (measured by the number of shares of common stock underlying such SARS), shares of restricted stock, RSUs, performance shares or any combination thereof under the LTIP.

Award Agreements

Each award under the LTIP will be evidenced by an award agreement between us and the participant setting forth the terms and conditions applicable to the award, including but not limited to:

provisions for the time at which the award becomes exercisable or otherwise vests;

provisions for the treatment of the award in the event of the termination of a participant s status as an employee, service provider or non-employee director; and

any special provisions applicable in the event of an occurrence of a change of control of our company, as determined by the Committee consistent with the provisions of the LTIP.

Rights as an Employee, Service Provider or Non-Employee Director

Nothing contained in the LTIP or in any award agreement confers upon any employee, service provider, non-employee director or participant any right to continue in the employ or other service of our company or any of our subsidiaries or constitutes any contract or limits in any way our right or the rights of our subsidiaries to change such person s compensation or other benefits or to terminate the employment or other service of such person with or without cause. If Code Section 409A applies to an award, (a) Code Section 409A s definition of separation of service , to the extent contradictory, will apply to determine when a participant becomes entitled to payment upon termination of employment, and (b) payments made to a specified employee due to a separation from service will not be made to the participant earlier than the six-month anniversary of the separation from service .

Rights as a Stockholder

An LTIP participant will have no rights as a stockholder with respect to any shares of common stock covered by an award until the date the participant becomes a holder of record of such shares. Except as described below under Adjustment Provisions , no adjustment will be made for dividends or other rights, unless the award agreement specifically requires such adjustment.

Anti-Dilution and Other Adjustment Provisions

In the event of any change in or affecting the outstanding shares of our common stock by reason of a stock dividend or split, merger or consolidation (whether or not we are the surviving corporation), recapitalization, reorganization, combination or exchange of shares or other similar corporate changes or an extraordinary dividend in cash, securities or other property, our board of directors will make such amendments to the LTIP and outstanding awards and award agreements and make such equitable and other adjustments and take actions thereunder as applicable, under the circumstances. The equitable adjustments to outstanding awards will be required to ensure that the intrinsic value of each outstanding award immediately after any of the events resulting in changes in or affecting the shares of our common stock described above is equal to the intrinsic value of each outstanding award immediately prior to any of these events. These amendments, adjustments and actions will include, as applicable, changes in the number of shares of our common stock then remaining subject to the LTIP, the number of shares of our common stock then remaining subject to awards of common stock, restricted stock and restricted stock units or subject to awards of options and

SARs under the LTIP and the option or SAR exercise price per share of common stock, and the maximum number of shares that may be granted or delivered to any single participant pursuant to the LTIP, including those that are then covered by outstanding awards, or accelerating the vesting of outstanding awards.

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Amendment and Termination

Our board of directors may at any time amend, suspend or terminate the LTIP, in whole or in part, except that, without the approval of our stockholders, no such action will (1) increase the number of shares of our common stock available for awards (except as described above under Adjustment Provisions) or (2) materially increase the benefits accruing to participants under the LTIP or otherwise make any material revision to the LTIP, or otherwise be effective, except to the extent that such approval is necessary to comply with any tax or regulatory requirement applicable to the LTIP, including applicable requirements of the New York Stock Exchange and, except as described above under Adjustment Provisions , no such action may impair the rights of any holder of an award without the holder s consent.

The Committee may at any time alter or amend any or all award agreements to the extent permitted by the LTIP and applicable law, provided that except as described above under Adjustment Provisions , no such alteration or amendment may impair the rights of any holder of an award without the holder s consent.

Neither our board of directors nor the Committee may, except as described above under Adjustment Provisions , amend the LTIP or any award agreement to reprice any option or SAR whose exercise price is above the then fair market value of our common stock subject to the award, whether by decreasing the exercise price, canceling the award and granting a substitute award, or otherwise.

Withholding

Applicable taxes required by law will be withheld in respect of all awards. A participant may satisfy the withholding obligation by paying the amount of any taxes in cash or, with the approval of the Committee, by delivering to us or having deducted from the payment shares of our common stock to satisfy the obligation in full or in part. The amount of the withholding and the number of shares of our common stock to be paid or deducted in satisfaction of the withholding requirement will be determined by the Committee with reference to the fair market value of our common stock when the withholding is required to be made; provided, however, that the amount of withholding to be paid in respect of stock options exercised through the cashless method in which shares of our common stock for which the stock options are exercised are immediately sold may be determined by reference to the price at which said shares are sold. We will have no obligation to deliver any of our common stock pursuant to the grant or settlement of any award until we have been reimbursed for all required withholding taxes.

Governing Law

The LTIP, the award agreements and all actions taken under the LTIP and under the award agreements will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to the conflict of law principles of the State of Delaware.

Change of Control

The Committee may determine at the time an award is granted that upon a change of control of our company, any or all of the following may occur: outstanding stock options and SARs may become vested and exercisable; restrictions on restricted stock and RSUs may lapse; performance goals may be deemed met and other terms and conditions may be deemed met; performance shares may be delivered; performance units and RSUs may be paid out as promptly as practicable; and other awards may be delivered or paid.

For purposes of the LTIP, a change of control is defined generally as:

the acquisition by any individual, entity or group of beneficial ownership of % or more of the combined voting power of the then outstanding voting securities of Freedom entitled to vote generally in the election of directors;

a change in the composition of a majority of the Freedom board of directors which is not supported by the current board of directors;

a major corporate transaction, such as a reorganization, merger or consolidation or sale or other disposition of all or substantially all of Freedom s assets, which results (1) in a change in the majority of the board of directors or of more than % of Freedom s shareowners or (2) in the acquisition by any person of beneficial ownership of % of more of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors; or

approval by Freedom s stockholders of the complete liquidation or dissolution of Freedom.

Plan Benefits

Awards under the LTIP are generally to be made at the discretion of the Compensation Committee or the Principals (with respect to non-executive participants) and to date there has been no determination by the Compensation Committee or the Principals with respect to future awards under the LTIP for participants, including the Principals and executive officers. Therefore, the benefits and amounts that will be received or allocated by each Principal and executive officer and all executive officers as a group under the LTIP are not otherwise determinable at this time and we have not included a table reflecting such benefits or awards.

Certain U.S. Federal Income Tax Consequences

The following is a brief summary of the principal U.S. federal income tax consequences of transactions under the LTIP, based on current U.S. federal income tax laws applicable to U.S.-based participants providing services to a U.S.-based entity. This summary is not intended to be exhaustive, does not constitute tax advice and, among other things, does not describe state, local or foreign tax consequences, which may be substantially different.

Stock Options

Options granted under the LTIP are, at the time of grant, intended to qualify as either incentive stock options under the Code or non-qualified stock options.

Incentive Stock Options

The grant of an incentive stock option does not result in any immediate tax consequences to us or the optionee. An optionee will not recognize taxable income, and we will not be entitled to any deduction, upon the timely exercise of an incentive stock option, but the excess of the fair market value of the shares at the time of exercise of the option over the option price will be an item of tax preference for purposes of the alternative minimum tax. If such optionee does not dispose of the shares of stock transferred upon such exercise within one year after their receipt (and two years after the date the option was granted), gain or loss recognized upon disposition thereafter of such shares will be treated as long term taxable capital gain or loss. Capital losses of individuals are deductible only against capital gains and a limited amount of ordinary income. In the event of any earlier disposition, the optionee will recognize ordinary taxable income in the year of such disposition in an amount equal to the lesser of (1) the excess of the fair market value of the shares at the time of exercise of the option over the option price or (2) if the disposition is a taxable sale or exchange, the amount of gain recognized if such amount is less than the amount determined in clause (1) above. Any taxable gain recognized upon such a disposition will generally be entitled to a deduction in an amount equal to the ordinary taxable income recognized by the optionee.

Non-qualified Stock Options

The grant of a non-qualified stock option has no immediate tax consequences to us or the optionee. If an optionee exercises a non-qualified stock option, the optionee will recognize ordinary taxable income measured by the difference between the option price and the fair market value of the shares on the date of exercise, and we will be entitled to a deduction in the same amount.

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Stock

Upon the award and receipt of shares of common stock without restrictions, the recipient will recognize ordinary taxable income in an amount equal to the fair market value of the shares of our common stock received, and, subject to the limitations of Section 162(m) of the Code, we will be entitled to a deduction in the same amount and at that time.

Restricted Stock

A recipient of shares of restricted stock normally will not recognize taxable income upon an award of restricted stock, and we will not be entitled to a deduction, until the termination of the restrictions. Upon such termination, the holder will recognize ordinary taxable income in an amount equal to the fair market value of the restricted stock at that time, plus the amount of any dividends and interest thereon which are paid to the holder at that time. However, a holder may elect to recognize ordinary taxable income in the year the restricted shares are awarded in an amount equal to their fair market value at the time received, determined without regard to the restrictions. In this event, we will be entitled to a deduction in the same amount and at the same time as the holder realizes income, subject to the limitations of Section 162(m) of the Code.

Restricted Stock Units

The award of restricted stock units has no immediate tax consequences to us or the participant. Upon payment of a restricted stock unit, the participant will recognize ordinary taxable income in an amount equal to the fair market value of the shares of common stock or cash received at that time, and, subject to the limitations of Section 162(m) of the Code, we will be entitled to a deduction in the same amount and at that time.

Stock Appreciation Rights

The grant of a stock appreciation right will have no immediate tax consequences to us or the participant. Upon exercise of stock appreciation rights, the participant will recognize ordinary taxable income in an amount equal to the cash and the fair market value of stock received by the participant and we will be entitled to a deduction in the same amount and at the same time.

Performance Units

A recipient of a performance unit will recognize ordinary taxable income at the time of receipt of cash or of shares of our common stock with respect thereto equal to the amount of any cash and the fair market value of any shares of our common stock received, and, subject to the limitations of Section 162(m) of the Code, we will be entitled to a deduction in the same amount and at that time.

Performance Shares

The grant of a performance share under the LTIP has no immediate tax consequences to either the participant or us. Upon payment of a performance share, the participant will recognize ordinary taxable income in an amount equal to the fair market value of the shares or cash received at that time. We will, subject to the limitations of Section 162(m) of the Code, be entitled to a deduction in the same amount and at that time.

Performance Compensation Awards

The designation of an award as a performance compensation award will have no tax consequences to the employee. Such a designation will, however, enable such an award to qualify as performance based compensation not subject to the $1 million limitation on deductible compensation under Section 162(m) of the Code.

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Dividend Equivalents

Dividend equivalents generally will be taxed at ordinary income rates when paid. In most instances, they will be treated as additional compensation that we will be able to deduct at that time, subject to the limitations of Section 162(m) of the Code.

Required Vote

To be approved by the stockholders, the proposal to approve the adoption of the LTIP must receive the affirmative vote of a majority of the shares of Freedom common stock represented in person or by proxy and entitled to vote thereon at the special meeting. Abstentions will have the same effect as a vote against the incentive plan proposal, and broker non-votes will have no impact upon the approval of the incentive plan proposal.

Recommendation

The board of directors of Freedom believes that it is in the best interests of Freedom that the stockholders approve the proposal to adopt the LTIP.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE ADOPTION OF THE INCENTIVE PLAN PROPOSAL.

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THE ADJOURNMENT PROPOSAL

Proposal

In the event there are not sufficient votes at the time of the special meeting to adopt the acquisition proposal, each of the pre-closing certificate amendment proposals, the post-closing certificate amendment proposal or the incentive plan proposal, the board of directors may submit a proposal to adjourn the special meeting to a later date, or dates, if necessary, to permit further solicitation of proxies.

Required Vote

The adoption of the adjournment proposal will require the affirmative vote of the holders of a majority of the shares of Freedom common stock represented in person or by proxy and entitled to vote thereon at the special meeting. Abstentions will have the same effect as a vote against the adjournment proposal, and broker non-votes will have no impact upon the approval of the adjournment proposal.

Recommendation

The board of directors of Freedom believes that is it in the best interests of Freedom that the stockholders approve the adjournment proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE ADOPTION OF THE ADJOURNMENT PROPOSAL.

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SELECTED COMBINED HISTORICAL FINANCIAL INFORMATION OF GLG

The selected combined historical financial information of GLG as of and for the six months ended June 30, 2007 and for the six months ended June 30, 2006 was derived from unaudited condensed combined financial statements of GLG included in this proxy statement. The selected combined historical financial information of GLG as of and for the years ended December 31, 2006, 2005 and 2004 was derived from combined financial statements of GLG audited by Ernst & Young LLP, an independent registered public accounting firm, included in this proxy statement. The selected combined historical financial information of GLG as of June 30, 2006 and as of and for the years ended December 31, 2003 and 2002 was derived from unaudited combined financial statements of GLG not included in this proxy statement. This information should be read in conjunction with GLG Management s Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and the notes thereto included in this proxy statement.

	Years Ended December 31,					Six Months Ended June 30,	
	2002	2003	2004	2005	2006	2006	2007
	(unaudited)					(unaudited)	
	(US dollars in thousands)						
Combined Statement of Operations Data:							
Net revenues and other income:							
Management fees, net	$ 30,108	$ 65,259	$ 138,988	$ 137,958	$ 186,273	$ 82,971	$ 120,334
Performance fees, net	31,288	206,685	178,024	279,405	394,740	175,946	343,032
Administration fees, net				311	34,814	15,921	26,680
Transaction charges	80,613	115,945	191,585	184,252			
Other	626	6,497	6,110	1,476	5,039	2,023	970
Total net revenues and other income	142,635	394,386	514,707	603,402	620,866	276,861	491,016
Expenses:							
Employee compensation and benefits	(88,994)	(158,789)	(196,784)	(345,918)	(168,386)	(114,459)	(81,566)
General, administrative and other	(22,052)	(23,005)	(42,002)	(64,032)	(68,404)	(27,285)	(53,743)
Total expenses	(111,046)	(181,794)	(238,786)	(409,950)	(236,790)	(141,744)	(135,309)

Income from operations	31,589	212,592	275,921	193,452	384,076	135,117	355,707
Interest income, net	882	709	519	2,795	4,657	2,574	1,647
Income before income taxes	32,471	213,301	276,440	196,247	388,733	137,691	357,354
Income taxes	(8,456)	(49,966)	(48,372)	(25,345)	(29,225)	(13,000)	(28,286)
Net income	$ 24,015	$ 163,335	$ 228,068	$ 170,902	$ 359,508	$ 124,691	$ 329,068
Distributions to Principals and Trustees	$ (33,895)	$ (70,825)	$ (222,074)	$ (106,531)	$ (165,705)	$ (148,533)	$ (145,069)
Distributions to non-controlling interest holders					(14,656)		(208,043)

	As of December 31,					As of June 30,	
	2002	2003	2004	2005	2006	2006	2007
	(unaudited)					(unaudited)	
	(US dollars in thousands)						
Combined Balance Sheet Data:							
Cash and cash equivalents	$ 28,450	$ 65,655	$ 136,378	$ 236,261	$ 273,148	$ 97,672	$ 130,268
Fees receivable	34,826	139,103	163,235	246,179	251,963	198,211	380,157
Working capital	15,579	25,940	20,395	42,387	370,094	169,251	344,129
Property and equipment, net	4,102	3,801	4,342	3,290	6,121	3,253	8,980
Total assets	75,359	220,829	310,592	495,340	557,377	311,661	546,977
Accrued compensation and benefits	21,654	25,038	125,850	247,745	102,507	81,954	47,702
Other liabilities					5,100	5,000	3,653
Loans payable	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total members equity	19,400	112,722	117,980	180,229	361,952	158,123	338,305

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GLG MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with GLG s combined historical financial statements and the related notes (referred to as the combined financial statements) included in this proxy statement. This discussion contains forward-looking statements that are subject to known and unknown risks and uncertainties. Actual results and the timing of events may differ significantly from those expressed or implied in such forward-looking statements due to a number of factors, including those included in the section entitled Risk Factors and elsewhere in this proxy statement. Unless the context indicates otherwise, in this section the terms we , us and our refer to the combined company, which will be renamed GLG Partners, Inc. following the consummation of the acquisition.

General

GLG s Business

GLG is a leading alternative asset manager offering its clients a diverse range of investment products. GLG currently derives its revenues from management fees and administration fees based on the value of the assets in the funds and accounts it manages, and performance fees based on the performance of those investment funds and accounts. Substantially all of GLG s assets under management, or AUM, are attributable to third-party investors, and the GLG Funds and accounts managed by GLG are not consolidated into its financial statements. As of June 30, 2007 GLG s gross AUM (including assets invested from other GLG Funds) were approximately $21.5 billion, up from approximately $3.9 billion as of December 31, 2001, representing a compound annual growth rate, or CAGR, of 36%. As of June 30, 2007 GLG s net AUM (net of assets invested from other GLG Funds) were approximately $18.6 billion, up from approximately $3.9 billion as of December 31, 2001, representing a CAGR of 33%.

Factors Affecting GLG s Business

GLG s business and results of operations are impacted by the following factors:

Assets under management. GLG s revenues from management and administration fees are directly linked to AUM. As a result, GLG s future performance will depend on, among other things, its ability both to retain AUM and to grow AUM from existing and new products.

Fund performance. GLG s revenues from performance fees are linked to the performance of the funds and accounts it manages. Performance also affects AUM because it influences investors decisions to invest assets in, or withdraw assets from, the GLG Funds and accounts managed by GLG.

Personnel, systems, controls and infrastructure. GLG depends on its ability to attract, retain and motivate leading investment and other professionals. GLG s business requires significant investment in its fund management platform, including infrastructure and back-office personnel. GLG has in the past paid and expects to continue in the future to pay these professionals significant compensation and a share of GLG s profits.

Fee rates. GLG s management and administration fee revenues are linked to the fee rates it charges the GLG Funds and accounts it manages as a percentage of their AUM. GLG s performance fees are linked to the rates it charges the GLG Funds and accounts it manages as a percentage of their performance-driven asset growth, subject to high water marks , whereby performance fees are earned by GLG only to the extent that the net asset

value of a GLG Fund at the end of a measurement period exceeds the highest net asset value on a preceding measurement period end for which GLG earned performance fees, and in some cases to performance hurdles.

In addition, GLG s business and results of operations may be affected by a number of external market factors. These include global asset allocation trends, regulatory developments and overall macroeconomic activity. Due to these and other factors, the operating results of GLG may reflect significant volatility from period to period.

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GLG operates in only one business segment, the management of global investment funds and accounts.

Critical Accounting Policies

GLG Management s Discussion and Analysis of Financial Condition and Results of Operations is based upon GLG s combined financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of financial statements in accordance with GAAP requires the use of estimates and assumptions that could affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues, expenses and other income. Actual results could differ materially from these estimates. A summary of GLG s significant accounting policies is presented in Note 2 to GLG s audited and unaudited combined financial statements included in this proxy statement. The following is a summary of GLG s critical accounting policies that are most affected by judgments, estimates and assumptions.

Combination Criteria

GLG has prepared financial statements on a combined basis in connection with the reverse acquisition transaction with Freedom. The financial statements combine all GLG entities under common control or management of the Principals and the Trustees.

The analysis as to whether to combine an entity is subject to a significant amount of judgment. Some of the criteria considered are the determination as to the degree of control over an entity by its various equity holders, the design of the entity, how closely related the entity is to each of its equity holders and the relationship of the equity holders to each other.

GLG has determined that it does not own a substantive, controlling interest in any of the investment funds it manages and that they are not variable interest entities. As a result, none of the GLG Funds is required to be consolidated with GLG. For all GLG Funds, GLG has granted rights to the investors that provide a simple majority of the unrelated investors with the ability to remove GLG from its position as fund manager.

Revenue Recognition

Performance Fees

Performance fee rates are calculated as a percentage of investment gains less management and administration fees, subject to high water marks and, in the case of most long-only funds, four external funds of funds, or FoHF, and two single-manager alternative strategy funds, to performance hurdles, over a measurement period, generally six months. GLG has elected to adopt the preferred method of recording performance fee income, Method 1 of Emerging Issues Task Force (EITF) Topic D-96, Accounting for Management Fees Based on a Formula (Method 1). Under Method 1, GLG does not recognize performance fee revenues until the end of the measurement period when the amounts are contractually payable, or crystallized .

The majority of the GLG Funds and accounts managed by GLG have contractual measurement periods that end on each of June 30 and December 31. As a result, the performance fee revenues for GLG s first fiscal quarter and third fiscal quarter results do not reflect revenues from uncrystallized performance fees during these three-month periods. These revenues will be reflected instead at the end of the fiscal quarter in which such fees crystallize.

Compensation and Limited Partner Profit Share

Compensation expense related to performance fees is accrued during the period for which the related performance fee revenue is recognized.

GLG also has a limited partner profit share arrangement which remunerates certain individuals through distributions of profits from two GLG entities paid either to two limited liability partnerships in which those

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individuals are members or directly to those individuals who are members of the two GLG entities. These partnership draws are priority distributions, which are recognized in the period in which they are payable. There is an additional limited partner profit share distribution, which is recognized in the period in which it is declared. These partnership draws and profit share distributions are referred to as limited partner profit shares and are discussed further under Expenses Employee Compensation and Limited Partner Profit Share below.

Equity-Based Compensation

Prior to December 31, 2006, GLG had not granted any equity-based awards. In March 2007, GLG established the equity participation plan to provide certain key individuals, through their direct or indirect limited partnership interests in two limited partnerships, Sage Summit LP and Lavender Heights Capital LP, with the right to receive a percentage of the proceeds derived from an initial public offering relating to GLG or a third-party sale of GLG. Upon consummation of the acquisition, Sage Summit LP and Lavender Heights Capital LP will receive collectively approximately 15% of the total consideration of cash and Freedom capital stock payable to the GLG Shareowners in the acquisition. These limited partnerships will distribute to the limited partners an aggregate of 25% of such amounts upon consummation of the acquisition, and the remaining 75% will be distributed to the limited partners in three equal installments upon vesting over a three-year period on the first, second and third anniversaries of the consummation of the acquisition, subject to the ability of the general partners of the limited partnerships, whose respective boards of directors consist of the Trustees, to accelerate vesting. The unvested portion of such amounts will be subject to forfeiture in the event of termination of the individual as a limited partner prior to each vesting date, unless such termination is without cause after there has been a change in control of Freedom after completion of the acquisition or due to death or disability. The equity portion of this plan will be accounted for in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 123(R), Share-Based Payment (SFAS 123(R)) and the EITF Issue No. 96-18, Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or In Conjunction with Selling, Goods or Services , which require that such equity instruments are recorded at their fair value on the measurement date, which date is typically upon the inception of the services that will be performed, remeasured at subsequent dates to the extent the awards are unvested, and amortized into expense over the vesting period on a straight-line basis.

Up to ten million shares of Freedom common stock issued as part of the purchase price for the acquisition will be allocated to GLG employees, key personnel and certain other individuals, subject to vesting, which may be accelerated. Any unvested stock awards may be used for future awards to GLG employees, key personnel and certain other individuals.

In connection with the acquisition, Freedom intends to adopt, subject to the approval of Freedom s stockholders, the 2007 Long-Term Incentive Plan, or LTIP, which will provide for the grants of incentive and non-qualified stock options, stock appreciation rights, common stock, restricted stock, restricted stock units, performance units and performance shares to employees, service providers and non-employee directors.

In addition, the Principals and the Trustees have entered into an agreement among principals and trustees which will provide that, in the event a Principal voluntarily terminates his employment with us for any reason prior to the fifth anniversary of the closing of the acquisition, a portion of the equity interests held by that Principal and his related Trustee as of the closing of the acquisition will be forfeited to the Principals who are still employed by us and their related Trustees.

All of these arrangements will be accounted for in accordance with SFAS 123(R) and will be amortized into expense over the applicable vesting period using the accelerated method. As a result, following the completion of the acquisition, compensation and benefits will reflect the amortization of a significant non-cash equity-based compensation expense associated with the vesting of these equity-based awards, which under GAAP will reduce our

net income and may result in net losses.

SFAS 123(R) requires a company to estimate the fair value of share-based payment awards based on estimated fair values. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service period. For awards with performance conditions, we will make an evaluation

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at the grant date and future periods as to the likelihood of the performance targets being met. Compensation expense is adjusted in future periods for subsequent changes in the expected outcome of the performance conditions until the vesting date. SFAS 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Because the share-based compensation expense will be recorded only upon consummation of the acquisition, GLG is not currently able to determine the expenses for the remainder of 2007 or future fiscal periods; however, set forth below is a summary of total share-based compensation expenses GLG will incur over the vesting terms of the stock-based awards or interests in connection with the acquisition beginning on the closing date of the acquisition (dollars in thousands):

12-Month Periods Following Acquisition	
Year 1	$ 1,089,152
Year 2	407,658
Year 3	236,928
Year 4	117,817
Year 5	47,661
	$ 1,899,216

Share-based compensation expenses have been calculated assuming a fair value of Freedom common stock of $10.58 per share (the closing price on July 31, 2007), no change in the fair value of the Freedom common stock over the applicable vesting period and a zero forfeiture rate.

Net Revenues

All fee revenues are presented in this proxy statement net of any applicable rebates or sub-administration fees.

Where a single-manager alternative strategy fund or internal FoHF managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, the investing fund is the top-level GLG Fund into which a client invests and the investee fund is the underlying GLG Fund into which the investing fund invests. For example, the GLG European Long-Short Fund invests in the GLG Utilities Fund. In that case, the GLG European Long-Short Fund is the investing fund and the GLG Utilities Fund is the investee fund.

Management Fees

GLG s gross management fee rates are set as a percentage of fund AUM. Management fee rates vary depending on the product, as set forth in the table below (subject to fee treatment of fund-in-fund reinvestments as described below):

Product	**Typical Range of Gross Fee Rates (% of AUM)**
	1.50% 2.50%*

Single-manager alternative strategy funds		
Long-only funds	0.75%	2.25%
Internal FoHF	0.25%	1.50% (at the investing fund level)*
External FoHF	1.50%	1.95%

* When one of the single-manager alternative strategy funds or internal FoHFs managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, management fees are charged at the investee fund level. In addition, management fees are charged on the following GLG Funds at the investing fund level: (1) GLG Multi Strategy Fund; and (2) Prime GLG Diversified Fund.

Management fees are generally paid monthly, one month in arrears.

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Most GLG Funds have share classes with distribution fees that are paid to third-party institutional distributors with no net economic impact to GLG. In certain cases, GLG may rebate a portion of its gross management fees in order to compensate third-party institutional distributors for marketing GLG products and, in a limited number of cases, in order to incentivize clients to invest in GLG Funds.

Performance Fees

GLG s gross performance fee rates are set as a percentage of fund performance, calculated as investment gains (both realized and unrealized), less management and administration fees, subject to high water marks and, in the case of most long-only funds, four external FoHF and two single-manager alternative strategy funds, to performance hurdles. As a result, even when a GLG Fund has positive fund performance, GLG may not earn a performance fee due to negative fund performance in prior measurement periods and in some cases due to a failure to reach a hurdle rate. Performance fee rates vary depending on the product, as set forth in the table below (subject to fee treatment of fund-in-fund investments as described below):

Product	**Typical Range of Gross Fee Rates (% of Investment Gains)**
Single-manager alternative strategy funds	20% 30%*
Long-only funds	20% 25%
Internal FoHF	0% 20% (at the investing fund level)*
External FoHF	5% 10%

* When one of the single-manager alternative strategy funds or internal FoHFs managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, performance fees are charged at the investee fund level. In addition, performance fees are charged on the following GLG Funds at the investing fund level: (1) Prime GLG Diversified Fund; and (2) GLG Global Aggressive Fund, to the extent, if any, that the performance fee at the investing fund level is greater than the performance fee at the investee fund level.

GLG has adopted Method 1 for recognizing performance fee revenues and under Method 1 does not recognize performance fee revenues until the end of the measurement period when the amounts are crystallized, which for the majority of the investment funds and accounts managed by GLG is on June 30 and December 31.

Administration Fees

GLG s gross administration fee rates are set as a percentage of fund AUM. Administration fee rates vary depending on the product. From its gross administration fees, GLG pays sub-administration fees to third-party administrators and custodians, with the residual fees recognized as GLG s net administration fee. Administration fees are generally paid monthly, one month in arrears.

When one of the single-manager alternative strategy funds or internal FoHFs managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, administration fees are charged at both the investing and investee fund levels.

Change in Business Practice

Prior to 2005, GLG levied transaction charges on certain of the funds it managed, with respect to certain investment types, on a per-trade basis, and only charged administration fees to cover sub-administration fees paid to third parties. However, beginning in 2005, GLG ceased levying transaction charges and increased administration fee rates for these

funds, which going forward include a portion retained by GLG. This transition was effected on a fund-by-fund basis, with GLG ceasing to levy transaction charges on all GLG Funds by the end of 2005, and administration fees being rolled out to all of the single-manager alternative strategy GLG Funds by early 2006, and to all of the long-only GLG Funds by the end of 2006. The elimination of transaction charges was only partially offset by the increase in administration fee rates. This resulted in lower fund expenses which contributed to higher performance fees. The combined impact of this

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change in business practice was a net reduction in the fees and charges earned by GLG from the GLG Funds in 2005 compared to 2004. However, GLG s management believes that, given competitive factors, the increasing importance of institutional accounts and the need to better position GLG to enter new markets, this change was necessary to execute on its long-term growth strategy. Substantially all of the impact of these changes was reflected in 2006.

Fees on Managed Accounts

Managed account fee structures are negotiated on an account-by-account basis and may be more complex than for the GLG Funds. Across the managed account portfolio, fee rates vary according to the underlying mandate and in the aggregate are generally within the performance and management fee ranges charged with respect to comparable fund products.

Expenses

Employee Compensation and Benefits and Limited Partner Profit Share

To attract, retain and motivate the highest quality investment and other professionals, GLG provides significant remuneration through salary, discretionary bonuses, profit sharing and other benefits.

The largest component of expenses is compensation and other benefits payable to GLG s investment and other professionals. This includes significant fixed annual salary or limited partner profit share and other compensation based on individual, team and company performance and profitability.

Beginning in mid-2006, GLG entered into partnership with a number of its key personnel in recognition of their importance in creating and maintaining the long-term value of GLG. These individuals ceased to be employees and either became holders of direct or indirect limited partnership interests in GLG or formed two limited liability partnerships through which they provide services to GLG. Through these partnership interests, these key individuals are entitled to partnership draws as priority distributions, which are recognized in the period in which they are payable. There is an additional limited partner profit share distribution, which is recognized in the period in which it is declared. Key personnel that are participants in the limited partner profit share arrangement do not receive salaries or discretionary bonuses from GLG. Limited partner profit share does not affect net income, whereas comparable amounts paid to these key personnel as employees had been recorded as employee compensation and benefits prior to mid-2006 and accordingly reduced net income. Under GAAP, limited partner profit share cannot be presented as employee compensation expense. However, management believes that it is more appropriate to treat limited partner profit share as expense when considering business performance because it reflects the cost of the services provided to GLG by these participants in the limited partner profit share arrangement. As a result, GLG presents the measure non-GAAP comprehensive limited partner profit share, compensation and benefits , or non-GAAP PSCB, which is a non-GAAP financial measure used to calculate adjusted net income, as described below under Assessing Business Performance , and which adds limited partner profit share to employee compensation expense to show the total cost of the services provided to GLG by both participants in the limited partner profit share arrangement and employees.

The components of total non-GAAP PSCB are:

Base compensation fixed contractual base payments made to personnel. This compensation is paid to employees in the form of base salary. Base compensation is generally paid monthly and the expense is recognized as the amounts are paid.

Variable compensation payments that arise from the contractual entitlements of personnel to a fixed percentage of certain variable fee revenues attributable to such personnel with respect to GLG Funds and

managed accounts. These amounts are paid to employees in the form of variable salary. Variable compensation expense is recognized at the same time as the underlying fee revenue is crystallized, which may be monthly or semi-annually (on June 30 and December 31), depending on the fee revenue source.

Discretionary compensation payments that are determined by GLG s management in its sole discretion and are generally linked to performance during the year. In determining such payments, GLG s management considers, among other factors, the ratio of total discretionary compensation to total revenues; however, this ratio may vary between periods and, in particular, significant discretionary bonuses may still be paid in a period of low performance for personnel retention and incentivization purposes. This discretionary compensation is paid to employees in the form of a discretionary cash bonus. Discretionary compensation is generally declared and paid following the end of each calendar year. However, the notional discretionary compensation charge accrual is adjusted monthly based on the year-to-date profitability and revenues recognized on a year-to-date basis. As the majority of funds crystallize their performance fees at June 30 and December 31, the majority of discretionary compensation expense is generally crystallized at year end and is typically paid in January following the year end.

Limited partner profit share distributions of limited partner profit shares under the limited partner profit share arrangement described below.

Limited Partnership Profit Share

The key personnel who are participants in the limited partner profit share arrangement provide services to GLG through two limited liability partnerships, Laurel Heights LLP and Lavender Heights LLP (the LLPs), which are limited partners in GLG Partners LP and GLG Partners Services LP, respectively. The amount of profits attributable to each of the LLPs is determined at the discretion of GLG s management based upon the profitability of GLG s business and their view of the contribution to revenues and profitability from the services provided by each limited partnership during that period. The amount of such distribution will be accrued monthly although it is generally crystallized at year end. However, the notional distribution accrual is adjusted monthly based on the year-to-date profitability and revenues recognized on a year-to-date basis. A portion of the partnership distribution is advanced monthly as a draw against final determination of profit share. Once the final profit allocation is determined, typically in January following each year end, it will be paid to the LLPs as limited partners, less any amounts paid as advance drawings during the year. Other limited partners of GLG Partners Services LP who receive profit allocations include two investment professionals, Steven Roth and Greg Coffey (through Saffron Woods Corporation) who are not members of Lavender Heights LLP, but whose profit distributions from GLG Partners Services LP are determined in the same manner as the allocation of profit shares to individual members of the LLP described below and included in the limited partner profit measure, as described below.

Under GAAP, such distributions are recognized when declared and paid. Because the amounts relate to revenues recognized in the previous accounting period, GLG uses a non-GAAP adjustment to deduct any LLP distributions and any distributions to Steven Roth and Saffron Woods Corporation made after the end of each accounting period relating to revenues recognized in the previous accounting period, as it believes this more accurately reflects the net income for the relevant period. This non-GAAP adjustment is also included in the measure limited partner profit share used in determining non-GAAP PSCB.

Allocation of Profit Shares to Individual Members of LLPs

Profit allocations made to the LLPs by GLG Partners LP and GLG Partners Services LP make up substantially all of the LLPs net profits for each period. Members are entitled to a base limited partner profit share priority drawing, which is a fixed amount and paid as a partnership draw. Certain members are also entitled to a variable limited partner profit share priority drawing based on a fixed percentage of certain variable fee revenues attributable to such personnel with respect to GLG Funds and managed accounts, which are paid as a partnership draw. After year end, the managing members of the LLPs will make discretionary allocations to the key personnel who participate in the limited

partner profit share arrangement and who are LLP members from the remaining balance of the LLPs net profits, after taking into account the base and variable limited partnership profit share priority drawings, based on their view of those individuals contribution to the generation of these profits. This process will typically take into account the nature of the services provided to GLG by each key personnel, his or her seniority and the performance of the individual

during the period. The notional limited partner profit share expense accrual is adjusted monthly based on year-to-date profitability and revenues recognized on a year-to-date basis.

Profit allocations, net of any amounts paid during the year as priority partnership drawings, will typically be paid to the members in January following each year end.

GLG s management believes that the adjustments made to include limited partner profit share in non-GAAP PSCB do not give rise to an income tax effect.

See Non-GAAP Expense Measures under each period to period comparison discussed under Results of Operations Expenses for a reconciliation of non-GAAP PSCB to GAAP employee compensation and benefits for the periods presented.

As GLG s investment performance improves, its compensation costs and performance-related limited partner profit share distributions are expected generally to rise correspondingly. In addition, equity-based compensation costs may vary significantly from period to period depending on the market price of our common stock, among other things. In order to retain our investment professionals during periods of poor performance, we may have to pay our investment professionals significant amounts, even if we earn low or no performance fees. In these circumstances these payments may represent a larger proportion of our revenues than historically.

In addition to share-based compensation expense discussed above, GLG will record deferred compensation expense with respect to the cash portion of the awards under the equity participation plan in the aggregate amount of $150 million. For the three 12-month periods beginning with the consummation of the acquisition, deferred compensation expense will include $106.25 million, $31.25 million and $12.5 million related to the cash portion of the equity participation plan.

General and Administrative

GLG s non-personnel cost base represents the expenditure required to provide an effective investment infrastructure and marketing operation. Key elements of the cost base are, among other things, professional services fees, temporary and contract employees, travel, information technology and communications, business development and marketing, occupancy, facilities and insurance.

Income Tax

Historically, the only GLG entity earning significant profits subject to company-level income taxes was GLG Holdings Limited, which was subject to U.K. corporate income tax. Most of the balance of the profit was earned by pass-through or other entities that did not incur significant company-level income taxes. Although only a relatively small portion of the profits earned by GLG was subject to U.S. corporate income tax, Freedom is a U.S. corporation that is subject to U.S. corporate income tax.

After the acquisition, our effective tax rate will be a function of our overall earnings, the income tax rates in the jurisdictions in which we and our subsidiaries do business, the type and relative amount of income earned by us and our subsidiaries in these jurisdictions and the timing of repatriation of profits back to the United States (*e.g.*, in the form of dividends). As our business expands into countries with higher tax rates such as the United States, we expect that our effective tax rate may increase.

Allocation of income among business activities and entities is subject to detailed and complex rules applied to facts and circumstances that generally are not readily determinable at the date financial statements are prepared.

Accordingly, estimates are made of income allocations in computing financial statement effective tax rates that may differ from actual allocations determined when tax returns are prepared or after examination by tax authorities.

We will amortize over a 15-year period and deduct for U.S. income tax purposes the carrying value of certain assets, such as intangibles, arising in connection with the acquisition of GLG, effectively reducing U.S. tax expense on repatriated profits. The amount of tax deductible goodwill will be based on the fair market value of Freedom common stock on the closing date.

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GLG accounts for taxes using the asset and liability method in accordance with SFAS No. 109, Accounting for Income Taxes , under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is established when management believes it is more likely than not that a deferred tax asset will not be realized.

Assessing Business Performance

As discussed above under Expenses Employee Compensation and Benefits and Limited Partner Profit Share , GLG s management assesses its personnel-related expenses based on the measure non-GAAP PSCB. Non-GAAP PSCB reflects GAAP employee compensation and benefits, adjusted to include the limited partner profit shares described above under Expenses Employee Compensation and Benefits and Limited Partner Profit Share .

In addition, GLG s management assesses the underlying performance of its business based on the measure adjusted net income , which adjusts for the difference between GAAP employee compensation and benefits and non-GAAP PSCB as discussed above. See Results of Operations Adjusted Net Income for a reconciliation of adjusted net income to net income for the periods presented.

Non-GAAP PSCB is not a measure of financial performance under GAAP and should not be considered as an alternative to GAAP employee compensation and benefits. Further, adjusted net income is not a measure of financial performance under GAAP and should not be considered as an alternative to GAAP net income as an indicator of GLG s operating performance or any other measures of performance derived in accordance with GAAP. The non-GAAP financial measures presented by GLG may be different from non-GAAP financial measures used by other companies.

GLG is providing these non-GAAP financial measures to enable investors, securities analysts and other interested parties to perform additional financial analysis of GLG s personnel-related costs and its earnings from operations and because it believes that they will be helpful to investors in understanding all components of the personnel-related costs of GLG s business. GLG s management believes that the non-GAAP financial measures also enhance comparisons of GLG s core results of operations with historical periods. In particular, GLG believes that the non-GAAP adjusted net income measure better represents profits available for distribution to stockholders than does GAAP net income. In addition, GLG s management uses these non-GAAP financial measures in its evaluation of GLG s core results of operations and trends between fiscal periods and believes these measures are an important component of its internal performance measurement process. GLG s management also prepares forecasts for future periods on a basis consistent with these non-GAAP financial measures. Under the credit facility expected to be entered into in connection with the acquisition, Freedom and its subsidiaries will be required to maintain compliance with certain financial covenants based on adjusted earnings before interest expense, provision for income taxes, depreciation and amortization, or adjusted EBITDA, which is calculated based on the non-GAAP adjusted net income measure, further adjusted to add back interest expense, provision for income taxes, depreciation and amortization. Non-GAAP adjusted net income has certain limitations in that it may overcompensate for certain costs and expenditures related to GLG s business and may not be indicative of the cash flows from operations as determined in accordance with GAAP.

Assets Under Management

The following is a discussion of GLG s gross and net AUM as of June 30, 2007 and 2006 and as of December 31, 2006, 2005 and 2004, and GLG s average gross and net AUM for the six months ended June 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and 2004.

In order to accurately represent fund-in-fund investments whereby one GLG Fund may hold exposure to another GLG Fund, management tracks AUM on both a gross and a net basis. In a gross presentation, sub-invested funds will be counted at both the investing and investee fund level. Net presentation removes the assets at the investing fund level, indicating the total external investment from clients.

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GLG has achieved strong historical AUM growth. The following table sets out GLG s gross and net AUM on a historical basis, categorized by product types:

AUM

	As of June 30,		As of December 31,		
	2007	2006	2006	2005	2004
	(US dollars in millions)				
Alternative strategy	$ 12,826	$ 9,059	$ 10,410	$ 7,030	$ 9,171
Long-only	4,432	3,730	3,815	3,253	2,666
Internal FoHF	1,627	1,086	1,261	790	870
External FoHF	599	477	568	410	338
Gross fund-based AUM	19,485	14,351	16,053	11,484	13,045
Managed accounts	1,843	937	1,233	335	5
Cash and other holdings	194	339	310	229	215
Total gross AUM	21,522	15,627	17,596	12,047	13,265
Less: internal FoHF investments in GLG Funds	(1,642)	(1,020)	(1,268)	(805)	(867)
Less: external FoHF investments in GLG Funds	(56)	(13)	(49)		
Less: alternatives fund-in-fund investments	(1,239)	(1,127)	(1,125)	(942)	(726)
Net AUM	$ 18,585	$ 13,467	$ 15,154	$ 10,300	$ 11,671

	Six Months Ended June 30,		Years Ended December 31,		
	2007	2006	2006	2005	2004
	(US dollars in millions)				
Quarterly average gross AUM	$ 19,258	$ 13,836	$ 15,007	$ 12,166	$ 11,890
Quarterly average net AUM	16,608	11,860	12,890	10,549	10,427

Note: Quarterly average gross and net AUM for a given period are calculated by averaging the AUM figures at the start of the period, and at the end of each quarter during the period concerned. Average AUM for a given fiscal year is calculated by averaging the AUM balances at December 31 of the prior year and each quarter-end during the fiscal year. In a similar manner, average AUM for a given six-month period is calculated by averaging the AUM balances at December 31 of the prior year and each quarter end during the six-month period. Quarterly average gross and net AUM are GLG management s preferred measures of assets under GLG s management in each period for the purposes of calculating key ratios such as fee yield.

The following table sets out the components of growth of GLG s gross fund-based AUM, consisting of the alternative strategy, long-only, internal FoHF and external FoHF funds, and GLG s managed accounts:

Components of Growth of Fund-Based and Managed Account AUM

	Six Months Ended June 30,		Years Ended December 31,		
	2007	2006	2006	2005	2004
	(US dollars in millions)				
Opening gross fund-based AUM	$ 16,053	$ 11,484	$ 11,484	$ 13,045	$ 9,425
Gross fund-based inflows (net of redemptions)	1,552	1,613	1,986	(1,704)	2,353
Gross fund-based net performance (net of losses)	1,880	1,254	2,584	143	1,267
Closing gross fund-based AUM	$ 19,485	$ 14,351	$ 16,053	$ 11,484	$ 13,045
Opening managed account AUM	$ 1,233	$ 335	$ 335	$ 5	$ 12
Managed account inflows (net of redemptions)	419	670	865	309	(10)
Managed account net performance (net of losses)	191	(68)	34	20	4
Closing managed account AUM	$ 1,843	$ 937	$ 1,233	$ 335	$ 5

June 30, 2007 Compared to December 31, 2006

Change in AUM between June 30, 2007 and December 31, 2006

	As of June 30, 2007	As of December 31, 2006	Change
	(US dollars in millions)		
Alternative strategy	$ 12,826	$ 10,410	$ 2,417
Long-only	4,432	3,815	617
Internal FoHF	1,627	1,261	367
External FoHF	599	568	31
Gross fund-based AUM	19,485	16,053	3,432
Managed accounts	1,843	1,233	610
Cash and other holdings	194	310	(116)
Gross AUM	21,522	17,596	3,926
Less: internal FoHF investments in GLG Funds	(1,642)	(1,268)	(374)

Less: external FoHF investments in GLG Funds	(56)	(49)	(7)
Less: alternatives fund-in-fund investments	(1,239)	(1,125)	(114)
Net AUM	$ 18,585	$ 15,154	$ 3,431

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	Six Months Ended June 30, 2007 (US dollars in millions)	
Opening gross fund-based AUM	$	16,053
Gross fund-based inflows (net of redemptions)		1,552
Gross fund-based net performance (net of losses)		1,880
Closing gross fund-based AUM	$	19,485
Opening managed account AUM	$	1,233
Managed account inflows (net of redemptions)		419
Managed account net performance (net of losses)		191
Closing managed account AUM	$	1,843

During the six months ended June 30, 2007, gross AUM increased by $3.9 billion to $21.5 billion and net AUM increased by $3.4 billion to $18.6 billion.

Overall AUM growth was attributable primarily to growth in GLG s gross fund-based AUM, which increased by $3.4 billion to $19.5 billion as of June 30, 2007, principally as a result of the following factors:

Positive fund performance during the six months ended June 30, 2007, resulting in performance gains (net of losses) of $1.9 billion, which was responsible for 54.8% of gross fund-based AUM growth in the six months ended June 30, 2007; and

Strong demand for GLG s fund products, which resulted in inflows (net of redemptions) of $1.6 billion, which were responsible for 45.2% of gross fund-based AUM growth in the six months ended June 30, 2007.

Managed account AUM increased by $0.6 billion to $1.8 billion as of June 30, 2007. This growth was primarily attributable to the following factors:

Strong demand for GLG s managed account products from certain institutional investors whose investment mandates made individual managed account solutions preferable to fund-based investments, which resulted in inflows (net of redemptions) of $419 million, representing 68.7% of managed account AUM growth in the six months ended June 30, 2007; and

Positive managed account performance during the six months ended June 30, 2007, resulting in performance gains (net of losses) of $191 million, representing 31.3% of managed account AUM growth in the six months ended June 30, 2007.

The ratio between net and gross AUM remained generally unchanged between the two dates, due to generally stable and consistent relative levels of fund-in-fund investments, with respect to both investments by GLG s FoHF products in certain GLG Funds and investments by certain single-manager alternative strategy GLG Funds in other single-manager alternative strategy GLG Funds.

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December 31, 2006 Compared to December 31, 2005

Change in AUM between December 31, 2006 and December 31, 2005

	As of December 31,		
	2006	2005	Change
	(US dollars in millions)		
Alternative strategy	$ 10,410	$ 7,030	$ 3,380
Long-only	3,815	3,253	561
Internal FoHF	1,261	790	470
External FoHF	568	410	158
Gross fund-based AUM	16,053	11,484	4,569
Managed accounts	1,233	335	898
Cash and other holdings	310	229	81
Gross AUM	17,596	12,047	5,548
Less: internal FoHF investments in GLG Funds	(1,268)	(805)	(462)
Less: external FoHF investments in GLG Funds	(49)		(49)
Less: alternatives fund-in-fund investments	(1,125)	(942)	(183)
Net AUM	$ 15,154	$ 10,300	$ 4,854

	Year Ended December 31, 2006 (US dollars in millions)
Opening gross fund-based AUM	$ 11,484
Gross fund-based inflows (net of redemptions)	1,986
Gross fund-based net performance (net of losses)	2,584
Closing gross fund-based AUM	$ 16,053
Opening managed account AUM	$ 335
Managed account inflows (net of redemptions)	865
Managed account net performance (net of losses)	34
Closing managed account AUM	$ 1,233

During 2006, gross AUM increased by $5.5 billion to $17.6 billion and net AUM increased by $4.9 billion to $15.2 billion.

Overall AUM growth was attributable primarily to growth in GLG s gross fund-based AUM, which increased by $4.6 billion to $16.1 billion as of December 31, 2006, principally as a result of the following factors:

Positive fund performance during 2006, resulting in performance gains (net of losses) of $2.6 billion, which was responsible for 56.5% of gross fund-based AUM growth in 2006; and

A general increase in demand for GLG s fund products, which resulted in inflows (net of redemptions) of $2.0 billion, which were responsible for 43.5% of gross fund-based AUM growth in 2006. This growth was primarily attributable to:

Continued interest in GLG s established investment fund products; and

Investor demand for GLG s new investment funds launched during 2006.

This demand was, in part, attributable to returning investors who had withdrawn AUM due to underperformance in certain GLG Funds during 2005, but who were attracted to reinvest in GLG Funds in 2006.

Managed account AUM increased significantly by $0.9 billion to $1.2 billion as of December 31, 2006. This growth was primarily attributable to the following factors:

Strong demand for GLG s managed account products from certain institutional investors whose investment mandates made individual managed account solutions preferable to fund-based investments, which resulted in inflows (net of redemptions) of $865 million, representing 96.3% of managed account AUM growth in the year ended December 31, 2006; and

Positive managed account performance during the year ended December 31, 2006, resulting in performance gains (net of losses) of $34 million, representing 3.7% of managed account AUM growth in the year ended December 31, 2006.

The ratio between net and gross AUM remained generally unchanged between the two dates, due to generally stable and consistent relative levels of fund-in-fund investments, with respect to both investments by GLG s FoHF products in certain GLG Funds and investments by certain single-manager alternative strategy GLG Funds in other single-manager alternative strategy GLG Funds.

December 31, 2005 Compared to December 31, 2004

Change in AUM between December 31, 2005 and December 31, 2004

	As of December 31,		
	2005	**2004**	**Change**
	(US dollars in millions)		
Alternative strategy	$ 7,030	$ 9,171	$ (2,141)
Long-only	3,253	2,666	587
Internal FoHF	790	870	(79)
External FoHF	410	338	72
Gross fund-based AUM	11,484	13,045	(1,561)
Managed accounts	335	5	329
Cash and other holdings	229	215	14
Gross AUM	12,047	13,265	(1,217)
Less: internal FoHF investments in GLG funds	(805)	(867)	62
Less: external FoHF investments in GLG funds			
Less: alternatives fund-in-fund investments	(942)	(726)	(216)
Net AUM	$ 10,300	$ 11,671	$ (1,371)

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	Year Ended December 31, 2005 (US dollars in millions)	
Opening gross fund-based AUM	$	13,045
Gross fund-based inflows (net of redemptions)		(1,704)
Gross fund-based net performance (net of losses)		143
Closing gross fund-based AUM	$	11,484
Opening managed account AUM	$	5
Managed account inflows (net of redemptions)		309
Managed account net performance (net of losses)		20
Closing managed account AUM	$	335

During 2005, gross AUM decreased by $1.2 billion to $12.0 billion and net AUM decreased by $1.4 billion to $10.3 billion. The overall decrease in AUM was attributable primarily to a reduction in GLG s gross fund-based AUM by $1.6 billion to $11.5 billion as of December 31, 2005, driven by the following factors:

While still delivering performance gains (net of losses) of $0.1 billion, fund performance in 2005 was depressed by particularly significant underperformance in two of the GLG Funds, the GLG Credit Fund and the GLG Market Neutral Fund; and

Fund underperformance gave rise to significant redemptions of AUM, primarily from the two underperforming funds. Redemptions for this period (net of inflows) from fund-based products were $1.7 billion.

During 2005, managed account AUM grew from $5 million to $335 million. This growth was primarily attributable to the following factors:

Strong demand for GLG s managed account products from certain institutional investors whose investment mandates made individual managed account solutions preferable to fund-based investments, which resulted in inflows (net of redemptions) of $309 million, representing 93.8% of managed account AUM growth in the year ended December 31, 2005. Fiscal 2005 was the first period in which managed accounts represented a significant source of assets for GLG; and

Positive managed account performance during the year ended December 31, 2005, resulting in performance gains (net of losses) of $20 million, representing 6.2% of managed account AUM growth in the year ended December 31, 2005.

The ratio between net and gross AUM remained generally unchanged between the two dates, due to generally stable and consistent relative levels of fund-in-fund investments, with respect to both investments by GLG s FoHF products in certain GLG Funds and investments by certain single-manager alternative strategy GLG Funds in other single-manager alternative strategy GLG Funds.

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Results of Operations

Combined GAAP Statement of Operations Information

	Six Months Ended June 30,		Years Ended December 31,		
	2007	2006	2006	2005	2004
	(US dollars in thousands)				
Net revenues and other income					
Management fees, net	$ 120,334	$ 82,971	$ 186,273	$ 137,958	$ 138,988
Performance fees, net	343,032	175,946	394,740	279,405	178,024
Administration fees, net	26,680	15,921	34,814	311	
Transaction charges				184,252	191,585
Other	970	2,023	5,039	1,476	6,110
Total net revenues and other income	491,016	276,861	620,866	603,402	514,707
Expenses					
Employee compensation and benefits	(81,566)	(114,459)	(168,386)	(345,918)	(196,784)
General, administrative and other	(53,743)	(27,285)	(68,404)	(64,032)	(42,002)
Total expenses	(135,309)	(141,744)	(236,790)	(409,950)	(238,786)
Income from operations	355,707	135,117	384,076	193,452	275,921
Interest income, net	1,647	2,574	4,657	2,795	519
Income before income taxes	357,354	137,691	388,733	196,247	276,440
Income taxes	(28,286)	(13,000)	(29,225)	(25,345)	(48,372)
Net income	$ 329,068	$ 124,691	$ 359,508	$ 170,902	$ 228,068

Net Revenues

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Change in GAAP Net Revenues and Other Income between Six Months Ended June 30, 2007 and June 30, 2006

	Six Months Ended June 30,		
	2007	2006	Change
	(US dollars in thousands)		

Net revenues and other income			
Management fees, net	$ 120,334	$ 82,971	$ 37,363
Performance fees, net	343,032	175,946	167,086
Administration fees, net	26,680	15,921	10,759
Transaction charges			
Other	970	2,023	(1,053)
Total net revenues and other income	$ 491,016	$ 276,861	$ 214,155
Key ratios			
Total annualized net revenues and other income / quarterly average net AUM	5.91%	4.67%	1.24%
Annualized management fees / quarterly average net AUM	1.45%	1.40%	0.05%

Total net revenues and other income increased by $214.2 million, or 77.4%, to $491.0 million. This increase was driven by growth in all categories of fee revenue, especially in relation to performance fees.

For each type of fee revenue, GLG s management uses net fee yield as a measure of GLG s fees generated for every dollar of GLG s net AUM. The net management, performance and administration fee yield is equal to the management fees, performance fees or administration fees, respectively, divided by quarterly average net AUM for the applicable period.

Management fees increased by $37.4 million, or 45.0%, to $120.3 million. This growth was driven by two main factors:

A 40.0% higher quarterly average net AUM balance between the periods which, at constant net management fee yield, resulted in an increase in management fees of $33.2 million, or 88.9% of the total increase in management fees; and

An increase in the net management fee yield from 1.40% to 1.45%, reflecting higher management fees per unit of AUM, which, when applied to the increased net AUM base, resulted in an increase in management fees of $4.1 million, or 11.1% of the total increase in management fees. The higher net management fee yield was attributable primarily to investors participating in GLG Funds and managed accounts with higher management fee rates.

Performance fees increased by $167.1 million, or 95.0%, to $343.0 million. This growth was driven by two main factors:

A 40.0% higher quarterly average net AUM balance between the periods which, at constant net performance fee yield, resulted in an increase in performance fees of $70.5 million, or 42.2% of the total increase in performance fees;

An increase in the annualized net performance fee yield from 2.97% to 4.13% which, when applied to the increased net AUM base, resulted in an increase in performance fees of $96.6 million, or 57.8% of the total increase in performance fees. The higher net performance fee yield was attributable to stronger performance delivering higher performance fees per unit of AUM.

Net administration fees increased by $10.8 million, or 67.6%, to $26.7 million. This growth was driven by two main factors:

A 40.0% higher quarterly average net AUM balance between the periods which, at constant administration fee yield, resulted in an increase in administration fees of $6.4 million, or 59.3% of the total increase in administration fees; and

An increase in the net administration fee yield from 0.27% to 0.32% which, when applied to the increased net AUM base, resulted in an increase in administration fees of $4.4 million, or 40.7% of the total increase in administration fees. The higher net administration fee yield was attributable primarily to investors participating in GLG Funds and managed accounts with higher net administration fee rates.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Change in GAAP Net Revenues and Other Income between Years Ended December 31, 2006 and December 31, 2005

	Years Ended December 31,		
	2006	2005	Change
	(US dollars in thousands)		
Net revenues and other income			
Management fees, net	$ 186,273	$ 137,958	$ 48,315
Performance fees, net	394,740	279,405	115,335
Administration fees, net	34,814	311	34,503
Transaction charges		184,252	(184,252)
Other	5,039	1,476	3,563
Total net revenues and other income	$ 620,866	$ 603,402	$ 17,464
Key ratios			
Total net revenues and other income / quarterly average net AUM	4.82%	5.72%	(0.90)%
Management fees / quarterly average net AUM	1.45%	1.31%	0.14%

Total net revenues and other income increased by $17.5 million, or 2.9%, to $620.9 million. This increase was driven by growth in both management and performance fees, offset by net revenue loss resulting from the transition from a transaction charge to an administration fee model in 2005.

Management fees increased by $48.3 million, or 35.0%, to $186.3 million. This growth was driven by two main factors:

A 22.2% higher quarterly average net AUM balance between the periods which, at constant net management fee yield, resulted in an increase in management fees of $30.6 million, or 63.4% of the total increase in management fees; and

An increase in the net management fee yield from 1.31% to 1.45%, reflecting higher management fees per unit of AUM, which, when applied to the increased net AUM base, resulted in an increase in management fees of $17.7 million, or 36.6% of the total increase in management fees. The higher net management fee yield was attributable primarily to investors participating in GLG Funds and managed accounts with higher management fee rates.

Performance fees increased by $115.3 million, or 41.3%, to $394.7 million. This growth was driven by two main factors:

A 22.2% increase in quarterly average net AUM balances between the periods which, at constant net performance fee yield, resulted in an increase in performance fees of $62.0 million, or 53.8% of the total increase in performance fees; and

An increase in the net performance fee yield from 2.65% to 3.06% which, when applied to the increased net AUM base, resulted in an increase in performance fees of $53.3 million, or 46.2% of the total increase in performance fees. The higher net performance fee yield was attributable to stronger performance delivering higher performance fees per unit of AUM. The increase in performance was partly attributable to the transition to an administration fee model from a transaction charge model in 2005, which reduced fund expenses and resulted in higher fund performance. Substantially all of the impact of these changes was reflected in 2006.

Combined revenues from transaction charges and net administration fees fell by $149.7 million, or 81.1%, to $34.8 million. This reduction was attributable primarily to the transition from a transaction charge to an administration fee model in 2005.

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Year Ended December 31, 2005 Compared to Year Ended December 31, 2004

Change in GAAP Net Revenues and Other Income between Years Ended December 31, 2005 and December 31, 2004

	Years Ended December 31,		
	2005	2004	Change
	(US dollars in thousands)		
Net revenues and other income			
Management fees, net	$ 137,958	$ 138,988	$ (1,030)
Performance fees, net	279,405	178,024	101,381
Administration fees, net	311		311
Transaction charges	184,252	191,585	(7,333)
Other	1,476	6,110	(4,634)
Total net revenues and other income	$ 603,402	$ 514,707	$ 88,695
Key ratios			
Total net revenues and other income / quarterly average net AUM	5.72%	4.94%	0.78%
Management fees / quarterly average net AUM	1.31%	1.33%	(0.03)%

Total net revenues and other income increased by $88.7 million, or 17.2%, to $603.4 million. This increase was driven primarily by growth in performance fees.

Management fees decreased by $1.0 million, or 0.7%, to $138.0 million. This reduction was primarily driven by a reduction in the net management fee yield from 1.33% to 1.31%, reflecting lower management fees per unit of AUM, which, when applied to the increased net AUM base, resulted in a decrease in management fees of $2.7 million. The lower net management fee yield was attributable to increased management fee rebates, partly offset by higher management fee yields on new AUM inflows during 2005. These decreases were partially offset by a 1.2% increase in quarterly average net AUM balances between the periods which, at constant net performance fee yield, resulted in an increase in management fees of $1.6 million.

Performance fees increased by $101.4 million, or 56.9%, to $279.4 million. This growth was driven by two main factors:

An increase in the net performance fee yield from 1.71% to 2.65% which, when applied to the increased net AUM base, resulted in an increase in performance fees of $99.3 million, or 97.9% of the total increase in performance fees. The higher net performance fee yield was attributable to stronger performance delivering higher performance fees per unit of AUM. The increase in net performance fee yield was attributable to strong GLG Fund and managed account performance, with the principal exception of two GLG Funds which recorded significant underperformance during the 2005 period; and

A 1.2% increase in quarterly average net AUM balances between the periods which, at constant net performance fee yield, resulted in an increase in performance fees of $2.1 million, or 2.1% of the total increase in performance fees.

The transition from a transaction charge to an administration fee model, which began in 2005, also resulted in a slight increase in net administration fees and a slight decrease in transaction charges. However, due to the phased-in implementation, the effect on 2005 revenues was limited.

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Expenses

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Change in GAAP Expenses between Six Months Ended June 30, 2007 and June 30, 2006

	Six Months Ended June 30,		
	2007	2006	Change
	(US dollars in thousands)		
Expenses			
Employee compensation and benefits	$ (81,566)	$ (114,459)	$ 32,893
General, administrative and other	(53,743)	(27,285)	(26,458)
Total expenses	$ (135,309)	$ (141,744)	$ 6,435
Key ratios			
Employee compensation and benefits / total GAAP net revenues and other income	16.61%	41.34%	(24.73)%
General, administrative and other / total GAAP net revenues and other income	10.95%	9.86%	1.09%
Total expenses / total GAAP net revenues and other income	27.56%	51.20%	(23.64)%

Employee compensation and benefits decreased by $32.9 million, or 28.7%, to $81.6 million. The decreases included a $16.2 million decrease in variable salary, a $12.1 million decrease in discretionary bonuses and a $4.6 million decrease in base compensation and benefits, which were mainly attributable to certain GLG key personnel ceasing to be employees at or after the end of the second quarter of 2006. Under the limited partner profit share arrangement, these key personnel became holders of direct or indirect limited partnership interests in the entities which had previously employed them, resulting in comparable amounts which had been paid as compensation thereafter being paid as limited partner profit share.

General, administrative and other expenses increased by $26.5 million, or 97.0%, to $53.7 million. This was attributable to the following factors in approximately equal proportions:

- the growing scale of GLG s operations, principally in relation to increases in personnel and market data expenses; and
- one-time regulatory and legal costs.

Non-GAAP Expense Measures

As discussed above under Assessing Business Performance , GLG presents a non-GAAP comprehensive limited partner profit share, compensation and benefits measure. The table below reconciles GAAP employee compensation and benefits to non-GAAP PSCB for the periods presented.

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Change in Non-GAAP Expenses between Six Months Ended June 30, 2007 and June 30, 2006

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Change
	(US dollars in thousands)		
Non-GAAP expenses			
GAAP employee compensation and benefits	$ (81,566)	$ (114,459)	$ 32,893
Limited partner profit share	(190,500)	(51,530)	(138,970)
Non-GAAP PSCB	(272,066)	(165,989)	(106,077)
GAAP general, administrative and other	(53,743)	(27,285)	(26,458)
Non-GAAP total expenses	$ (325,809)	$ (193,274)	$ (132,535)
Key ratios (based on non-GAAP measures)			
Non-GAAP PSCB / total GAAP net revenues and other income	55.41%	59.95%	(4.55)%
General, administrative and other / total GAAP net revenues and other income	10.95%	9.86%	1.09%
Non-GAAP total expenses / total GAAP net revenues and other income	66.35%	69.81%	3.45%

Non-GAAP PSCB, including payments of limited partner profit shares, increased by $106.1 million, or 63.9%, to $272.1 million. This increase was mainly attributable to the growing scale of GLG s operations, as GLG s AUM grew during the period, driving additional headcount. In particular, the 95.0% increase in performance fees between the periods contributed to a $108.5 million increase in non-GAAP discretionary compensation and bonus, which, together with a $3.7 million increase in non-GAAP base compensation and benefits, substantially outweighed the decreases in non-GAAP variable compensation of $6.2 million attributable to management s decision to reduce the number of personnel with contractual entitlements to variable compensation. The $139.0 million increase in limited partner profit share was composed of a $120.6 million increase in discretionary limited partner profit share and an $8.3 million increase in base limited partner profit share and a $10.0 million increase in variable limited partner profit share. The non-GAAP PSCB / total GAAP net revenues and other income ratio fell from 60.0% to 55.4%, demonstrating the increasing scalability of GLG s personnel-related cost base.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Change in GAAP Expenses between Years Ended December 31, 2006 and December 31, 2005

	Years Ended December 31, 2006	Years Ended December 31, 2005	Change
	(US dollars in thousands)		
Expenses			
Employee compensation and benefits	$ (168,386)	$ (345,918)	$ 177,532
General, administrative and other	(68,404)	(64,032)	(4,372)

Total expenses	$ (236,790)	$ (409,950)	$ 173,160
Key ratios			
Employee compensation and benefits / total GAAP net revenues and other income	27.12%	57.33%	(30.21)%
General, administrative and other / total GAAP net revenues and other income	11.02%	10.61%	0.41%
Total expenses / total GAAP net revenues and other income	38.14%	67.94%	(29.80)%

Employee compensation and benefits fell by $177.5 million, or 51.3%, to $168.4 million. The decreases included a $121.7 million decrease in discretionary bonuses and a $14.3 million decrease in variable salary, which were driven primarily by the following factors:

Certain GLG key personnel ceasing to be employees at or after the end of the second quarter of 2006. These key personnel became holders of direct or indirect limited partnership interests in the entities which had previously employed them, resulting in comparable amounts which had been paid as compensation being paid as limited partner profit share; and

The non-recurrence in 2006 of certain one-time costs incurred in 2005, primarily the approximately $41.6 million expense recorded in 2005 related to an employment tax settlement covering the period from GLG s separation from Lehman Brothers International (Europe), or Lehman International, in 2000 to April 5, 2006.

The decrease was partially offset by the following factors which increased employee compensation and benefits through the period:

An increase in compensation attributable to the growth in GLG s headcount as its operations grew; and

An increase in the proportion of performance-based discretionary compensation. GLG Funds are managed either by principals or by non-principals. Non-principals receive performance-based discretionary compensation related to their performance, either as bonus (for employees who do not participate in the limited partner profit share arrangement) or as discretionary limited partner profit share (for key personnel who participate in the limited partner profit share arrangement). In 2005 a number of funds managed by a former principal of GLG started to be managed by employee non-principal managers. This increased the performance-based discretionary bonuses included in employee compensation and benefits.

General, administrative and other expenses increased by $4.4 million, or 6.8%, to $68.4 million. This was mainly attributable to the growing scale of GLG s operations, principally increases in personnel and market data expenses.

Non-GAAP Expense Measures

As discussed above under Assessing Business Performance , GLG presents a non-GAAP PSCB measure. The table below reconciles GAAP employee compensation and benefits to non-GAAP PSCB for periods presented.

Change in Non-GAAP Expenses between Years Ended December 31, 2006 and December 31, 2005

	Years Ended December 31,		
	2006	2005	Change
	(US dollars in thousands)		
Non-GAAP expenses			
GAAP employee compensation and benefits	$ (168,386)	$ (345,918)	$ 177,532
Limited partner profit share	(201,450)		(201,450)
Non-GAAP PSCB	(369,836)	(345,918)	(23,918)
GAAP general, administrative and other	(68,404)	(64,032)	(4,372)
Non-GAAP total expenses	$ (438,240)	$ (409,950)	$ (28,290)
Key ratios (based on non-GAAP measures)			
Non-GAAP PSCB / total GAAP net revenues and other income	59.57%	57.33%	2.24%
General, administrative and other / total GAAP net revenues and other income	11.02%	10.61%	0.41%
Non-GAAP total expenses / total GAAP net revenues and other income	70.59%	67.94%	2.65%

Non-GAAP PSCB, including payments of limited partner profit shares, increased by $23.9 million, or 6.9%, to $369.8 million. The increase was attributable primarily to an increase in non-GAAP discretionary compensation and bonus of $65.0 million, offset by a decrease of $7.1 million in non-GAAP variable compensation attributable to management s decision to reduce the number of personnel with contractual entitlements to variable compensation and a reduction in variable compensation pay out rates for those who continue to have such entitlements. The $201.5 million increase in limited partner profit share was composed of a $186.7 million increase in discretionary limited partner profit share, a $7.6 million increase in base limited partner profit share priority drawings, and a $7.2 million increase in variable limited partner profit share. The factors contributing to the increases include:

an increase in net revenues, primarily a 41.3% increase in performance fees, which impacted performance-based variable compensation and limited partner profit share;

an increase in compensation attributable to the growth in GLG s headcount as its operations grew;

GLG s transition from a transaction charge to an administration fee model, which resulted in an increase in the performance fee revenues as a proportion of total net revenues and therefore an increase in the proportion of total net revenues giving rise to performance-based non-GAAP PSCB expense; and

an increase in the proportion of performance-based discretionary compensation attributable to funds managed by non-principals as described above in the discussion of GAAP expenses. In 2005, this increased the performance-based discretionary bonuses included in employee compensation and benefits. In addition, beginning in mid-2006, as a result of certain of the non-principal investment managers ceasing to be employees and becoming participants in the limited partner profit share arrangement, this increased performance-based discretionary limited partner profit share.

The increase caused by these factors was partially offset by the non-recurrence in 2006 of certain one-time costs incurred in 2005, primarily the approximately $41.6 million expense recorded in 2005 related to the employment tax settlement covering the period from GLG s separation from Lehman International in 2000 to April 5, 2006 discussed above. The net impact of all such factors was a slight increase in the non- GAAP PSCB / total GAAP net revenues and other income ratio by 2.2% to 59.6%.

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Year Ended December 31, 2005 Compared to Year Ended December 31, 2004

Change in GAAP Expenses between Years Ended December 31, 2005 and December 31, 2004

	Years Ended December 31,		
	2005	2004	Change
	(US dollars in thousands)		
Expenses			
Employee compensation and benefits	$ (345,918)	$ (196,784)	$ (149,134)
General, administrative and other	(64,032)	(42,002)	(22,030)
Total expenses	$ (409,950)	$ (238,786)	$ (171,164)
Key ratios			
Employee compensation and benefits / total GAAP net revenues and other income	57.33%	38.23%	19.10%
General, administrative and other / total GAAP net revenues and other income	10.61%	8.16%	2.45%
Total expenses / total GAAP net revenues and other income	67.94%	46.39%	21.55%

Employee compensation and benefits increased by $149.1 million, or 75.8%, to $345.9 million, which included a $115.0 million increase in discretionary bonuses, driven primarily by a 56.9% increase in performance fees and an increase in the proportion of discretionary performance-based compensation attributable to funds managed by non-principals, offset by a $4.6 million decrease in variable salary and a $2.8 million decrease in base compensation and benefits. For 2005 and 2004, non-principals received as bonus performance-based discretionary compensation related to their performance. As such, an increase in the contribution of performance attributable to non-principals increased the performance-based discretionary bonus included in employee compensation and benefits.

The major driver of the increase in the proportion of performance-based discretionary compensation attributable to non-principals was the transition in the management of funds managed by a former principal of GLG during the periods presented to employee non-principal investment professionals. The shift in 2005 to employee non-principal managers of the funds primarily managed by the former principal resulted in higher performance based discretionary bonuses being included in employee compensation and benefits in 2005 compared to 2004. The increase in employee compensation and benefits was also partially attributable to certain one-time costs incurred in 2005, primarily the approximately $41.6 million expense recorded in 2005 related to the employment tax settlement covering the period from GLG s separation from Lehman International in 2000 to April 5, 2006. No comparable expense was recorded in 2004.

General and administrative expenses increased by $22.0 million, or 52.4%, to $64.0 million. This increase was mainly attributable to legal, professional and regulatory costs, in addition to costs associated with the development of the GLG platform to support the growing scale of GLG s operations.

For these periods, there were no limited partner profit shares, as the limited partner profit share arrangement was not implemented until 2006. As a result, non-GAAP PSCB for these periods would have been the same as GAAP employee compensation and benefits.

Income Tax

GLG s effective income tax rate is generally low since the portion of GLG s profits comprising the limited partner profit share is included in income before income taxes but is subject to tax at the level of the limited partners and is not subject to corporation tax. In addition, some of GLG s business is conducted in the Cayman Islands which does not levy corporate income tax on GLG s earnings. Shown in the tables below are

reconciliations of income taxes computed at the standard U.K. corporation tax rate to the actual income tax expense which reflect GLG s effective income tax rate.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Change in Income Taxes between Six Months Ended June 30, 2007 and June 30, 2006

	Six Months Ended June 30,		
	2007	2006	Change
	(US dollars in thousands)		
Income taxes	$ (28,286)	$ (13,000)	$ (15,286)
Reconciliation of income taxes computed at standard U.K. corporation tax rate to income tax charge			
Income before income taxes	$ 357,354	$ 137,691	$ 219,663
Tax charge at U.K. corporation tax rate (30%)	(107,206)	(41,308)	(65,898)
Factors affecting charge:			
Overseas tax rate differences	22,402	13,037	9,365
Disallowed and non-taxable items	(632)	(188)	(444)
Pass through to non-controlling interest holders	57,150	15,459	41,691
Tax on profit on ordinary activities	$ (28,286)	$ (13,000)	$ (15,286)
Effective income tax rate	7.92%	9.44%	(1.52)%

Income tax expense increased by $15.3 million to $28.3 million, driven mainly by a 159.5% increase in income before income taxes, partially offset by a reduction in the effective income tax rate from 9.44% to 7.92%. The decrease in the effective income tax rate was due to an increase in amounts distributed as limited partner profit shares included in income before income taxes that did not impact income tax expense. The increase in these distributions was a result of certain key personnel ceasing to be employees and becoming participants in the limited partner profit share arrangement at or after the end of the second quarter of 2006.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Change in Income Taxes between Years Ended December 31, 2006 and December 31, 2005

	Years Ended December 31,		
	2006	2005	Change
	(Dollars in thousands)		
Income taxes	$ (29,225)	$ (25,345)	$ (3,880)

Reconciliation of income taxes computed at standard U.K. corporation tax rate to income tax charge

Income before income taxes	$ 388,733	$ 196,247	$ 192,486
Tax charge at U.K. corporation tax rate (30%)	(116,620)	(58,874)	(57,746)
Factors affecting charge:			
Overseas tax rate differences	27,557	35,185	(7,628)
Disallowed and non-taxable items	(841)	(1,656)	815
Pass through to non-controlling interest holders	60,679		60,679
Tax on profit on ordinary activities	$ (29,225)	$ (25,345)	$ (3,880)
Effective income tax rate	7.52%	12.91%	(5.40)%

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Income tax increased by $3.9 million to $29.2 million, driven by a 98.1% increase in income before income taxes, partially offset by a reduction in the effective income tax rate from 12.91% to 7.52%. The decrease in the effective income tax rate was due to an increase in amounts distributed as limited partner profit shares included in income before income taxes that did not impact income tax expense and a reduction in disallowed expenses, partially offset by an increase in the proportion of income before income taxes recognized in the United Kingdom, which applies a higher tax rate than the Cayman Islands and other jurisdictions in which GLG conducts business. The increase in these distributions was a result of certain key personnel ceasing to be employees and becoming participants in the limited partner profit share arrangement at the end of the second quarter of 2006.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004

Change in Income Taxes between Years Ended December 31, 2005 and December 31, 2004

	Years Ended December 31,		
	2005	2004	Change
	(Dollars in thousands)		
Income taxes	$ (25,345)	$ (48,372)	$ 23,027
Reconciliation of income taxes computed at standard U.K. corporation tax rate to income tax charge			
Income before income taxes	$ 196,247	$ 276,440	$ (80,193)
Tax charge at U.K. corporation tax rate (30%)	(58,874)	(82,932)	24,058
Factors affecting charge:			
Overseas tax rate differences	35,185	36,118	(933)
Disallowed and non-taxable items	(1,656)	(1,558)	(98)
Pass through to non-controlling interest holders			
Tax on profit on ordinary activities	$ (25,345)	$ (48,372)	$ 23,027
Effective income tax rate	12.91%	17.49%	(4.58)%

Income tax decreased by $23.0 million to $25.3 million, driven by both a 29.0% decrease in income before income taxes and by a reduction in the effective income tax rate from 17.49% to 12.91%. The decrease in the effective income tax rate was due to a decrease in the proportion of income before income taxes recognized in the United Kingdom, which applies a higher tax rate than the Cayman Islands and other jurisdictions in which GLG conducts business, partially offset by an increase in disallowed expenses.

Adjusted Net Income

As discussed above under Assessing Business Performance , GLG presents a non-GAAP adjusted net income measure. The tables below reconcile net income to adjusted net income for the periods presented.

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Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Change in Non-GAAP Adjusted Net Income between Six Months Ended June 30, 2007 and June 30, 2006

	Six Months Ended June 30,		
	2007	2006	Change
	(Dollars in thousands)		
Derivation of non-GAAP adjusted net income			
GAAP net income	$ 329,068	$ 124,691	$ 204,377
Deduct: limited partner profit share	(190,500)	(51,530)	(138,970)
Non-GAAP adjusted net income	$ 138,568	$ 73,161	$ 65,407

Adjusted net income increased by $65.4 million, or 89.4%, to $138.6 million. This increase was driven by increased performance, management and administration fees, resulting from GLG s larger pool of AUM, stronger performance and increased fee yields during the 2007 period. The adjusted net income measure for these periods includes limited partner profit share arising from fund performance crystallized during the six months ended June 30, 2007. There was no limited partner profit share in the first six months of 2006.

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

Change in Non-GAAP Adjusted Net Income between Years Ended December 31, 2006 and December 31, 2005

	Years Ended December 31,		
	2006	2005	Change
	(Dollars in thousands)		
Derivation of non-GAAP adjusted net income			
GAAP net income	359,508	170,902	188,606
Deduct: limited partner profit share	(201,450)		(201,450)
Non-GAAP adjusted net income	$ 158,058	$ 170,902	$ (12,844)

Adjusted net income decreased by $12.8 million, or 7.5%, to $158.1 million. This reduction was driven by an increase in non-GAAP PSCB, resulting from the transition from a transaction charge to an administration fee model and an increase in the proportion of performance attributable to non-principals, as further described under Results of Operations Expenses Year Ended December 31, 2006 compared to Year Ended December 31, 2005 Non-GAAP Expense Measures . Such increase was partially offset by the non-recurrence in 2006 of certain one-time costs incurred in 2005, primarily relating to the approximately $41.6 million employment tax settlement with the

Inland Revenue.

For fiscal 2004 and 2005, there were no limited partner profit shares, as the limited partner profit share arrangement was not implemented until 2006. As a result, non-GAAP PSCB for these periods would have been the same as GAAP employee compensation and benefits, and non-GAAP adjusted net income would have been the same as GAAP net income.

Liquidity and Capital Resources

Liquidity is a measurement of GLG s ability to meet potential cash requirements, including ongoing commitments to repay borrowings, pay compensation, and satisfy other general business needs. GLG s primary sources of funds for liquidity consist of cash flows provided by operating activities, primarily the management fees and performance fees paid from the GLG Funds and accounts managed by GLG.

GLG expects that its cash on hand and its cash flows from operating activities, the issuance of debt and equity securities and existing and future bank loans will satisfy its liquidity needs over the next twelve

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months. GLG expects to meet its long-term liquidity requirements, including the repayment of its debt obligations, through the generation of operating income, the issuance of debt and equity securities and existing and future bank loans.

GLG s ability to execute its business strategy, particularly its ability to form new GLG Funds and increase its AUM, depends on its ability to raise additional investor capital within such funds. Decisions by investors to commit capital to the GLG Funds and accounts managed by GLG will depend upon a number of factors, including, but not limited to the financial performance of the GLG Funds and managed accounts, industry and market trends and performance and the relative attractiveness of alternative investment opportunities.

Excess cash held by GLG on its balance sheet is either kept in deposit bearing accounts or invested in AAA-rated money market funds. Currency hedging is undertaken to maintain currency net assets at pre-determined ratios.

Operating Activities

GLG s net cash provided by operating activities was $151.8 million for the six months ended June 30, 2007 compared to $8.7 million for the six months ended June 30, 2006, reflecting significantly lower cash payments of compensation and benefits due to certain key personnel ceasing to be employees in mid-2006 and instead becoming participants in the limited partner profit share arrangement. The amounts paid as limited partner profit share are reflected beginning in 2006 as distributions to non-controlling interest holders in financing activities in the statements of cash flows.

GLG s net cash provided by operating activities was $219.2 million, $208.5 million and $296.1 million during the years ended December 31, 2006, 2005 and 2004, respectively. These amounts primarily reflect cash-based fee income, less cash compensation, benefits and non-personnel costs and tax payments. The increase in net cash provided by operating activities from 2005 to 2006 was attributable to an increase in net income, driven primarily by certain key personnel ceasing to be employees in mid-2006 and instead becoming participants in the limited partner profit share arrangement, offset by GLG s need during the period to pay greater accrued compensation which had arisen in 2005. The decrease in net cash provided by operating activities from 2004 to 2005 was attributable primarily to a reduction in net income, coupled with higher year-end fees receivable.

Investing Activities

GLG s net cash used in investing activities was $3.7 million for the six months ended June 30, 2007 compared to $0.7 million for the six months ended June 30, 2006, reflecting increased purchases of fixed assets to support GLG s expanding headcount and infrastructure.

GLG s net cash used in investing activities was $4.7 million, $0.6 million and $2.9 million during the years ended December 31, 2006, 2005 and 2004, respectively. These amounts primarily reflect the cash purchase of fixed assets to support GLG s expanding headcount and infrastructure. GLG does not undertake material investing activities, and hence net cash used in investing activities is generally not significant in the context of the business. Additionally, the amount of net cash used in investing activities on a year-to-year basis may be strongly affected by the purchase of a particular fixed asset, thereby giving rise to a potentially volatile year-to-year net cash usage.

Financing Activities

GLG s net cash used in financing activities was $291.7 million for the six months ended June 30, 2007 compared to $148.0 million for the six months ended June 30, 2006. The increase primarily reflects $146.7 million of distributions to non-controlling interest holders, the participants in the limited partner profit share arrangement.

GLG s net cash used in financing activities was $179.4 million, $106.5 million and $222.1 million during the years ended December 31, 2006, 2005 and 2004, respectively. These amounts primarily reflect

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distributions made to principals and other participating members. The increase in net cash used in financing activities from 2005 to 2006 was attributable primarily to a decision by the Principals and Trustees to change the timing of distributions from the business from 2005 to 2006, coupled with distributions to non-controlling interest holders during 2006, resulting from certain key personnel becoming participants in the limited partner profit share arrangement beginning in mid-2006. GLG did not make quarterly distributions of profit in 2006 and there were no distributions to non-controlling interest holders in 2005 because the limited partner profit share arrangement was not yet in effect. The decrease in net cash used in financing activities from 2004 to 2005 was attributable to a decision by the Principals and Trustees to draw less cash distributions from the business during 2005.

Off-Balance Sheet Arrangements

GLG does not have any off-balance sheet arrangements.

Contractual Obligations, Commitments and Contingencies

GLG has annual commitments under non-cancellable operating leases for office space located in London, the Cayman Islands and New York City (GLG Inc.) which expire on various dates through 2018. The minimum future rental expense under these leases is as follows:

Future Rental Expenses

Years Ended December 31,						
2007	**2008**	**2009**	**2010**	**2011**	**Thereafter**	**Total**
(Dollars in thousands)						
$ 4,287	$ 4,287	$ 4,339	$ 4,339	$ 4,339	$ 27,877	$ 49,468

Rental expenses are recognized on a straight-line basis and during the years ended December 31, 2006, 2005 and 2004 were $7.5 million, $6.2 million and $5.1 million, respectively.

GLG Holdings Limited entered into a credit facility in the principal amount of $13.0 million on October 29, 2002 with the Bank of New York. Interest on the loan is payable quarterly at the annual rate of LIBOR plus 75 basis points. The loan is repayable in four equal quarterly installments of $3.25 million. The first installment was originally due on January 29, 2007; however, the facility was extended on February 28, 2007 for another five years under the same terms and conditions and the repayment will commence effective January 29, 2012. The loan is secured by a pledge of substantially all of the assets of GLG Holdings Limited and there are liens on the future revenue streams of certain GLG entities. Scheduled principal payments for long-term borrowings at December 31, 2006 are as follows:

Future Loan Principal Payments

Years Ended December 31,						
2007	**2008**	**2009**	**2010**	**2011**	**Thereafter**	**Total**
(Dollars in thousands)						
$	$	$	$	$	$ 13,000	$ 13,000

In connection with the consummation of the acquisition, this loan is expected to be repaid in full.

In the normal course of business, GLG and its subsidiaries enter into operating contracts that contain a variety of representations and warranties and that provide general indemnifications. GLG s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against GLG that have not yet occurred. However, based on experience, GLG expects the risk of material loss to be remote.

Qualitative and Quantitative Disclosures About Market Risk

GLG s predominant exposure to market risk is related to its role as investment manager for the GLG Funds and accounts it manages for clients and the impact on these of movements in the fair value of

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their underlying investments. Changes in value of assets managed will impact the level of management and performance fee revenues.

The broad range of investment strategies that are employed across the approximately 40 GLG Funds and managed accounts, mean that they are subject to varying degrees and types of market risk. In addition as the funds and accounts are managed independently of each other and risk is managed at a strategy and fund level, GLG does not believe that aggregation of overall exposures is either meaningful or useful to investors.

The management of market risk on behalf of clients, and through the impact on fees to GLG, is a significant focus for GLG and it uses a variety of sophisticated risk measurement techniques to identify and manage market risk. Such techniques include Monte Carlo Value at Risk, stress testing, exposure management and sensitivities, and limits are set on these measures to ensure the market risk taken is commensurate with the publicized risk profile of each GLG Fund and in compliance with risk limits.

Impact on Management Fees

GLG s management fees are based on the AUM of the various GLG Funds and accounts that it manages, and, as a result, are impacted by changes in market risk factors. These management fees will be increased or reduced in direct proportion to the impact of changes in market risk factors on AUM in the related GLG Funds and accounts managed by GLG.

Impact on Performance Fees

GLG s performance fees are generally based on a percentage of profits of the various GLG Funds and accounts that it manages, and, as a result, are impacted by changes in market risk factors. These performance fees will be increased or reduced in direct proportion to the impact of changes in market risk factors on investment performance of the GLG Funds and accounts managed by GLG.

Market Risk

The GLG Funds and accounts managed by GLG hold investments that are reported at fair value as of the reporting date. Any change in the fair value of the holdings and securities would impact the AUM valuation of these GLG Funds and accounts, which may affect GLG s management fees and performance fees as described above.

Exchange Rate Risk

The GLG Funds and the accounts managed by GLG hold investments that are denominated in foreign currencies, whose value against GLG s reporting currency may fluctuate. Furthermore, share classes may be issued in the GLG Funds denominated in foreign currencies, whose value against the currency of the underlying investments, or against GLG s reporting currency, may fluctuate. The GLG Funds and the managed accounts may employ currency hedging to help mitigate such risks. In addition, foreign currency movements may impact GLG s management and performance fees as described above. GLG employs a currency hedging policy to help mitigate such risk.

Interest Rate Risk

The GLG Funds and accounts managed by GLG hold positions in debt obligations and derivatives thereof some of which accrue interest at variable rates and whose value is impacted by reference to changes in interest rates. Interest rate changes may therefore directly impact the AUM valuation of these GLG Funds and managed accounts, which may affect GLG s management fees and performance fees as described above.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined balance sheets as of June 30, 2007 and the unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2007 and the year ended December 31, 2006 give effect to the proposed acquisition by Freedom and give effect to certain transactions of GLG coincident with the acquisition. The pro forma information is based on the historical financial statements of Freedom and GLG after giving effect to the proposed combination and applying the estimates, assumptions and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial information.

The acquisition is considered to be a reverse acquisition recapitalization for accounting purposes because, among other things, the GLG Shareowners will own a majority of the outstanding shares of Freedom upon consummation of the acquisition. Under this method of accounting, GLG is the acquiring company. The acquisition is treated as the equivalent of GLG issuing stock for the net assets of Freedom accompanied by a recapitalization. The net assets of Freedom, primarily cash, are stated at their fair value, which is equivalent to the carrying value, and accordingly no goodwill or other intangible assets are recorded for accounting purposes. A final determination of the estimated fair values will be based on the actual net assets acquired as of the date of completion of the acquisition.

For pro forma purposes, the unaudited balance sheet of Freedom as of June 30, 2007 was combined with the unaudited combined balance sheet of GLG as of June 30, 2007 as if the proposed transaction had occurred on June 30, 2007. The unaudited statement of operations of Freedom for the six months ended June 30, 2007 was combined with the unaudited combined statement of operations of GLG for the six months ended June 30, 2007 and the statement of operations of Freedom for the period from June 8, 2006 (date of inception) to December 31, 2006 was combined with the combined statement of operations of GLG for the year ended December 31, 2006, in each case as if the proposed transaction had occurred on January 1, 2006.

The unaudited pro forma condensed combined financial statements have been prepared assuming two different levels of stockholder approval by the Freedom stockholders. The acquisition will not be approved if the holders of 20% or more of the Freedom common stock issued in Freedom s initial public offering vote against the acquisition and elect to exercise their redemption rights, regardless of whether a majority of the outstanding shares of Freedom common stock vote in favor of the acquisition proposal. The unaudited pro forma condensed combined financial statements have therefore been prepared based on the following two alternative assumptions: first, assuming minimum approval, which assumes that holders of 19.99% of the Freedom common stock issued in Freedom s initial public offering exercise their redemption rights, and second, assuming maximum approval, which assumes that none of the Freedom stockholders exercise their redemption rights.

The unaudited pro forma condensed combined financial information has been prepared by Freedom and GLG management for illustrative purposes and is not intended to represent the condensed combined financial position or condensed combined results of operations in future periods or what the results actually would have been had Freedom and GLG been a combined company during the specified periods. The unaudited pro forma condensed combined financial information and accompanying notes should be read in conjunction with the following information appearing elsewhere in this proxy statement: (1) the GLG historical combined financial statements and notes thereto for the year ended December 31, 2006 and the six months ended June 30, 2007, (2) the Freedom historical financial statements for the period from June 8, 2006 (date of inception) to December 31, 2006 and notes thereto included in Freedom s Annual Report on Form 10-K for the year ended December 31, 2006 and the Freedom historical condensed financial statements for the six months ended June 30, 2007, included in Freedom s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, in each case, filed with the SEC, (3) GLG Management s Discussion and Analysis of Financial Condition and Results of Operations and (4) Freedom Management s Discussion and Analysis of Financial

Condition and Results of Operations .

Net losses of $113.6 million and $500.6 million on a pro forma basis for the six months ended June 30, 2007 and the year ended December 31, 2006, respectively, were largely driven by non-cash share-based

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compensation expenses of $409 million and $818 million, respectively. These expenses for the six months ended June 30, 2007 and the year ended December 31, 2006 are composed of the following:

Charges of $22 million and $45 million, respectively, related to the 10,000,000 shares of Freedom common stock to be issued for the benefit of GLG s employees, key personnel and certain other individuals;

Charges of $114 million and $229 million, respectively, related to the 33,000,000 shares of Freedom common stock and $150 million cash to be issued for the benefit of certain of GLG s key personnel participating in the equity participation plan; and

Charges of $272 million and $544 million, respectively, related to the 77,604,988 shares of Freedom common stock and 58,904,993 shares of FA Sub 2 Limited Exchangeable Shares subject to the agreement among principals and trustees.

The shares described above are subject to certain vesting and forfeiture provisions and the related share-based compensation expenses are being recognized on a straight-line basis over the requisite service period using the accelerated method in accordance with the provisions of SFAS 123(R) for the LTIP and agreement among principals and trustees, and EITF Issue No. 96-18, for the equity participation plan.

Total shareholders deficit on a pro forma basis as of June 30, 2007 of $70.2 million (assuming maximum approval) and $172.8 million (assuming minimum approval) largely reflects the cash portion of the acquisition consideration of $1.0 billion, less certain amounts payable in relation to the equity participation plan that will be recognized in future periods.

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UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
as of June 30, 2007
(In thousands, except share amounts)

Assuming Minimum Approval

	GLG Historical	Freedom Historical	Pro Forma Adjustments		Pro Forma Combined
ASSETS					
Cash and cash equivalents	$ 130,268	$ 2,892	$ (1,035,000)	(1),(7)	$ 106,147
			521,511	(2)	
			50,000	(3)	
			(17,952)	(4)	
			557,000	(5)	
			(102,572)	(6)	
Deferred compensation, current			106,250	(1)	68,750
			(37,500)	(8)	
Investments	154				154
Fees receivable	380,157				380,157
Prepaid and other current assets	27,418	1,673			29,091
Cash held in trust account (restricted cash)		521,511	(521,511)	(2)	14,000
			14,000	(7)	
Deferred compensation, non-current			43,750	(8)	43,750
Property, plant and equipment, net	8,980				8,980
Total assets	$ 546,977	$ 526,076	$ (422,024)		$ 651,029
LIABILITIES AND MEMBERS EQUITY					
Current liabilities:					
Rebates and sub-administration fees payable	$ 26,147	$	$		$ 26,147
Accrued compensation and benefits	47,702				47,702
Income taxes payable	29,130	5,561			34,691
Distributions payable	70,694				70,694
Accounts payable and accruals	16,388	2,597	36,000	(9)	54,985
Other current liabilities	3,653				3,653
Loan notes			14,000	(7)	14,000
Total current liabilities	193,714	8,158	50,000		251,872
Loan payable	13,000		557,000	(5)	570,000
Deferred underwriters fee		17,952	(17,952)	(4)	
Redeemable common stock and interest		102,572	(102,572)	(6)	
Minority interest	1,958				1,958
Members equity:					

Members equity	6,354		(6,354)	(10)	
Common stock, $.0001 par value; 1,150,000,000 authorized, 230,340,290 issued		6	17	(11)	23
Series A voting preferred stock, $.0001 par value; 1,000,000,000 authorized, 58,904,993 issued			6	(11)	6
Additional paid-in capital		392,127	(752,491)	(1),(7)	
			50,000	(3)	
			(36,000)	(9)	
			6,331	(10),(11)	
			340,033	(8)	
Income accumulated during the development stage		5,261	(5,261)	(10)	
Accumulated (income) deficit	328,240		5,261	(10)	(176,541)
			(132,509)	(1)	
			(377,533)	(8)	
Accumulated other comprehensive income	3,711				3,711
Total members equity	338,305	397,394	(908,500)		(172,801)
Total liabilities and members equity	$ 546,977	$ 526,076	$ (422,024)		$ 651,029

See notes to unaudited pro forma condensed combined financial information.

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UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
as of June 30, 2007
(In thousands, except share amounts)

Assuming Maximum Approval

	GLG Historical	Freedom Historical	Pro Forma Adjustments		Pro Forma Combined
ASSETS					
Cash and cash equivalents	$ 130,268	$ 2,892	$ (1,035,000)	(1),(7)	$ 106,147
			521,511	(2)	
			50,000	(3)	
			(17,952)	(4)	
			454,428	(5)	
Deferred compensation, current			106,250	(1)	68,750
			(37,500)	(8)	
Investments	154				154
Fees receivable	380,157				380,157
Prepaid and other current assets	27,418	1,673			29,091
Cash held in trust account (restricted cash)		521,511	(521,511)	(2)	14,000
			14,000	(7)	
Deferred compensation, non-current			43,750	(8)	43,750
Property, plant and equipment, net	8,980				8,980
Total assets	$ 546,977	$ 526,076	$ (422,024)		$ 651,029
LIABILITIES AND MEMBERS EQUITY					
Current liabilities:					
Rebates and sub-administration fees payable	$ 26,147	$	$		$ 26,147
Accrued compensation and benefits	47,702				47,702
Income taxes payable	29,130	5,561			34,691
Distributions payable	70,694				70,694
Accounts payable and accruals	16,388	2,597	36,000	(9)	54,985
Other liabilities	3,653				3,653
Loan notes			14,000	(7)	14,000
Total current liabilities	193,714	8,158	50,000		251,872
Loan payable	13,000		454,428	(5)	467,428
Deferred underwriters fee		17,952	(17,952)	(4)	
Redeemable common stock and interest		102,572	(102,572)	(6)	
Minority interest	1,958				1,958
Members equity:					
Members equity	6,354		(6,354)	(10)	

Common stock, $.0001 par value; 1,150,000,000 authorized, 240,895,010 issued		6	17	(11)	23
Series A voting preferred stock, $.0001 par value; 1,000,000,000 authorized, 58,904,993 issued			6	(11)	6
Additional paid-in capital		392,127	(855,063)	(1),(7)	
			50,000	(3)	
			102,572	(6)	
			340,033	(8)	
			(36,000)	(9)	
			6,331	(10),(11)	
Income accumulated during the development stage		5,261	(5,261)	(10)	
Accumulated income (deficit)	328,240		5,261	(10)	(73,969)
			(29,937)	(1)	
			(377,533)	(8)	
Accumulated other comprehensive income	3,711				3,711
Total members equity	338,305	397,394	(805,928)		(70,229)
Total liabilities and members equity	$ 546,977	$ 526,076	$ (422,024)		$ 651,029

See notes to unaudited pro forma condensed combined financial information.

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
Six months ended June 30, 2007
(In thousands, except per share amounts)

	GLG Historical	Freedom Historical	Pro Forma Adjustments		Pro Forma Combined
Net revenues and other income:					
Management fees, net	$ 120,334	$	$		$ 120,334
Performance fees, net	343,032				343,032
Administration fees, net	26,680				26,680
Other	970				970
	491,016				491,016
Expenses:					
Employee compensation and other benefits	(81,566)		(408,934)	(8)	(483,817)
			6,683	(12)	
General, administrative and other	(53,743)	(363)			(54,106)
	(135,309)	(363)	(402,251)		(537,923)
Income (loss) from operations	355,707	(363)	(402,251)		(46,907)
Other income (expense):					
Interest income (expense), net	1,647	12,752	(15,252)	(5)	(13,605)
			(12,752)	(13)	
Income (loss) before income taxes	357,354	12,389	(430,255)		(60,512)
Income taxes	(28,286)	(5,514)	5,514	(13)	(25,176)
			4,576	(14)	
			(1,466)	(12)	
Net income (loss)	329,068	6,875	(421,631)		(85,688)
Less cumulative dividends			(27,530)	(15)	(27,530)
Interest income subject to possible redemption		(1,783)	1,783	(6)	
Less minority interest	(406)				(406)
Net income (loss) applicable to equity interest holders	$ 328,662	$ 5,092	$ (447,378)		$ (113,624)
Assuming Maximum Approval					
Net income (loss) per common share, basic		$ 0.11			$ (0.38)
Weighted average shares outstanding, basic		64,190			299,800
Net income (loss) per common share, diluted		$ 0.08			$ (0.38)
		82,275			299,800

Weighted average shares outstanding, diluted				
Assuming Minimum Approval				
Net income (loss) per common share, basic	$	0.11	$	(0.40)
Weighted average shares outstanding, basic		64,190		289,245
Net income (loss) per common share, diluted	$	0.08	$	(0.40)
Weighted average shares outstanding, diluted		82,275		289,245

See notes to unaudited pro forma condensed combined financial information.

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

Year ended December 31, 2006
(In thousands, except per share amounts)

	GLG Historical	Freedom Historical	Pro Forma Adjustments		Pro Forma Combined
Net revenues and other income:					
Management fees, net	$ 186,273	$	$		$ 186,273
Performance fees, net	394,740				394,740
Administration fees, net	34,814				34,814
Other	5,039				5,039
	620,866				620,866
Expenses:					
Employee compensation and other benefits	(168,386)		(817,868)	(8)	(973,618)
			12,636	(12)	
General, administrative and other	(68,404)	(94)			(68,498)
	(236,790)	(94)	(805,232)		(1,042,116)
Income (loss) from operations	384,076	(94)	(805,232)		(421,250)
Other income (expense):					
Interest income (expense), net	4,657	390	(31,711)	(5)	(27,054)
			(390)	(13)	
Income (loss) before income taxes	388,733	296	(837,333)		(448,304)
Income taxes	(29,225)	(127)	127	(13)	(22,491)
			9,513	(14)	
			(2,779)	(12)	
Net income (loss)	359,508	169	(830,472)		(470,795)
Less cumulative dividends			(29,580)	(15)	(29,580)
Less minority interest	(182)				(182)
Net income (loss) applicable to equity interest holders	$ 359,326	$ 169	$ (860,052)		$ (500,557)
Assuming Maximum Approval					
Net income (loss) per common share, basic and diluted		$ 0.01			$ (1.67)
Weighted average shares outstanding, basic and diluted		13,012			299,800
Assuming Minimum Approval					
Net income (loss) per common share, basic and diluted		$ 0.01			$ (1.75)
		13,012			289,245

Weighted average shares outstanding,
basic and diluted

See notes to unaudited pro forma condensed combined financial information.

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION
(In thousands, except share and per share amounts)

Note A. Basis of Presentation

On June 22, 2007, Freedom and GLG announced a definitive agreement pursuant to which Freedom agreed to purchase all of the outstanding equity interests of the Acquired Companies. Because the GLG Shareowners will own approximately 77% of the shares of the common stock of Freedom immediately following the consummation of the acquisition, GLG is deemed to be the acquiring company for accounting purposes. Accordingly, the transaction will be accounted for as a reverse acquisition. Because Freedom has no active business operations, the acquisition will be accounted for as a recapitalization of GLG and GLG will be treated as the acquirer and continuing reporting entity for accounting purposes. The assets and liabilities of Freedom will be recorded, as of completion of the acquisition, at fair value, which is considered to approximate historical cost, and added to those of GLG.

The fair values of the net assets of Freedom are shown below.

Cash	$ 526,076
Deferred underwriters fee	(17,952)
Other net current liabilities	(8,158)
Assuming Maximum Approval	$ 499,966
Redeemable stock	(102,572)
Assuming Minimum Approval	$ 397,394

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)
(In thousands, except share and per share amounts)

Note B. Pro Forma Adjustments

Pro forma adjustments are necessary to record the purchase price of the acquisition (consisting of cash and Notes issued to the GLG Shareowners) and to reflect transactions that are a direct result of the acquisition.

The following pro forma adjustments are included in the unaudited condensed combined financial statements:

(1) Reflects cash paid to GLG Shareowners upon consummation of the acquisition, which comprises the $1.0 billion purchase consideration and $35.0 million net cash , as defined in the purchase agreement, less the Notes (see Note 7).

(2) Reflects reclassification of Freedom s pre-acquisition cash from being held as a receivable (restricted cash) to cash since upon consummation of the acquisition the restrictions will lapse.

(3) Reflects cash proceeds from the co-investment by Freedom s sponsors immediately prior to consummation of the acquisition.

(4) Reflects payment of the deferred underwriters fee from Freedom s initial public offering in December 2006 to be made upon consummation of the acquisition.

(5) Reflects the credit facility to be entered into upon consummation of the acquisition, repayment of existing borrowing and related interest payable. The pro forma statements of operations assume maximum approval; if minimum approval is obtained the interest payable would be $18,688 for the six months ended June 30, 2007 and $38,838 per year based on an assumed LIBOR rate of 5.448% plus 1.25%. The interest rate will be reset semi-annually to the then-current six month LIBOR rate. A 0.125% increase in the interest rate would have the following impacts:

	Minimum Approval	Maximum Approval
Interest expense	$ 696	$ 584
Income tax	$ (209)	$ (175)

(6) Reflects the redemption of 10,554,720 shares of Freedom common stock upon consummation of the acquisition if holders of 19.99% of Freedom common stock issued in Freedom s initial public offering elect to exercise their redemption rights (minimum approval) or reclassification of redeemable common stock as permanent equity if none of the Freedom stockholders exercise their redemption rights (maximum approval).

(7) Reflects Notes issued, upon request, to Sage Summit LP and Lavender Heights Capital LP upon consummation of the acquisition and the transfer of cash to an escrow account to be held for the repayment of the Notes. The amount reflects the likely maximum amount of Notes that may requested by those key personnel that may find it advantageous to exercise their right to request Notes. Interest is payable on the

Notes semi-annually at the LIBOR rate on the issuance date of the Notes. As the total interest payable is expected to closely match the returns on restricted cash set aside for the repayment of the Notes, no adjustment has been made to net interest expense in the condensed combined pro forma statement of operations. The Notes are repayable on demand by either party after an initial minimum holding period of six months, up to the final redemption date on the second anniversary of the issuance date of the Notes. The Notes are non-recourse obligations of FA Sub 1 Limited and its affiliates (including Freedom).

(8) Reflects share-based and other compensation recognized in respect of (a) the equity participation plan, (b) the 10,000,000 shares allocated for the benefit of employees, key personnel and certain

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)
(In thousands, except share and per share amounts)

other individuals (the employee key service personnel and service provider plan), and (c) the agreement among the principals and trustees.

(a) Equity participation plan

Upon consummation of the acquisition, certain key personnel who participate in GLG s equity participation plan are entitled through their limited partnership interests in Sage Summit LP and Lavender Heights Capital LP to receive collectively approximately 15% of the total consideration of cash and Freedom capital stock payable to the GLG Shareowners in the acquisition. This cash and Freedom capital stock will be subject to vesting requirements and will be accounted for in accordance with EITF Issue No. 96-18, Accounting For Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction With Selling, Goods or Services .

These equity participation plan participants will receive a pro rata portion of 25% of such amounts on consummation of the acquisition, with the remaining 75% vesting in equal instalments over a three-year period on the first, second and third anniversaries of the consummation of the acquisition.

The total compensation expense included in the condensed combined statement of operations for the year ended December 31, 2006 for the equity participation plan is $229,000. The total expense for the equity participation plan will be $499,100 comprising cash of $150,000 and 33,000,000 Exchangeable Shares of FA Sub 1 Limited converted into Freedom common stock promptly after the acquisition with a fair value of $349,100 (using a fair value of $10.58 per share based on July 31, 2007 closing price per share of Freedom common stock and assuming no change in fair value).

(b) Employee, Key Personnel and Service Provider Plan

> Of the purchase price for the acquisition, up to 10,000,000 shares of Freedom common stock will be allocated to the employees, key personnel and certain other individuals. These shares will be subject to vesting terms. These vesting requirements have not been finally determined; however, these pro forma condensed combined financial statements assume that 30%, 30% and 40% vest over a three-year period on the second, third and fourth anniversaries of the consummation of the acquisition, respectively.

A $45,000 charge to the combined statement of operations for the year ended December 31, 2006 has been recognized using the accelerated method under SFAS 123(R), Share-based payments , assuming no forfeiture and a fair value of $10.58 per share.

(c) Agreement Among Principals and Trustees

In addition, in connection with the acquisition, the Principals and the Trustees will enter into an agreement among principals and trustees which will provide that, in the event a Principal voluntarily terminates his employment with Freedom for any reason prior to the fifth anniversary of the acquisition, a portion of the equity interests held by that Principal and his related Trustee as of the closing of the acquisition will be forfeited to the Principals who are still employed by Freedom and their related Trustees. The pro forma assumes no forfeiture of shares by any Principal or Trustee.

The agreement provides for vesting at the following rates:

Consummation of the acquisition	17.5%
Each anniversary from 1st to 5th year	16.5%

A $544,000 charge to the combined statement of operations for the year ended December 31, 2006 has been recognized using the accelerated method of SFAS 123(R), reflecting 77,604,988 shares of Freedom common stock and 58,904,993 Exchangeable Shares of FA Sub 2 Limited at a fair value of $10.58 per share and assuming no forfeiture.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)
(In thousands, except share and per share amounts)

(9) Reflects GLG s and Freedom s estimated transaction costs of $36,000 consisting primarily of investment banking, legal and accounting fees.

(10) Reflects reclassification of GLG s equity accounts to conform to Freedom s equity structure.

(11) Reflects the issuance of 171,095,007 shares of Freedom common stock and 58,904,993 shares of Freedom Series A voting preferred stock, which carry only voting rights and nominal economic rights. The 171,095,007 shares of Freedom common stock includes:

138,095,007 shares of Freedom common stock; and

33,000,000 ordinary shares of FA Sub 1 Limited, which are subject to certain put rights to Freedom and call rights by Freedom, payable upon exercise by delivery of 33,000,000 shares of Freedom common stock

The aggregate number of shares above will be subject to adjustment as provided in the purchase agreement. Among other things, the aggregate number of shares will be increased if the price of Freedom common stock is less than $9.50 per share on the closing date such that the total value of the shares issued based on the average of the closing price of the Freedom common stock for the ten consecutive trading days for the period ending one business day prior to the closing date will be at least $2,185,000.

The exchange of FA Sub 1 Limited shares for shares of Freedom common stock has been accounted for based on the carrying amounts of the assets and liabilities of FA Sub 1 Limited. The ownership interests of the minority shareholders are unchanged by the exchange.

(12) Reflects reduction in Principals base compensation and related payroll and corporate taxes post-acquisition. The adjustment reduces the basic compensation of the Principals in the aggregate to $3,000 per annum (plus related payroll taxes). The adjustment to income tax expense reflects the reduction in allowable deduction at U.K. corporate tax rates for the U.K. component of the Principals compensation.

(13) Freedom s historical interest income and related taxation expense has been eliminated since the cash held in Freedom will be paid out to the GLG Shareowners upon consummation of the transaction. No pro forma adjustments relating to reporting, compliance and investor relations costs that GLG will incur as a public company have been made.

(14) Reflects tax effect of interest payable on borrowings at the standard U.K. corporate tax rate.

(15) Reflects cumulative dividends payable to holders of Exchangeable Shares of FA Sub 2 Limited.

Distributions to non-controlling interests of certain GLG entities relating to the limited partner profit share arrangement have not been deducted from the numerator for the purposes of calculating pro forma basic and diluted earnings per share.

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)
(In thousands, except share and per share amounts)

Note C. Pro Forma Earnings Per Share

The pro forma combined basic and diluted net income per share is based on the following (in thousands):

	Minimum Approval Number	Maximum Approval Number
Six Months Ended June 30, 2007 and Year Ended December 31, 2006		
Freedom shares outstanding prior to the acquisition	64,800	64,800
Shares issued in the sponsors co-investment	5,000	5,000
Shares of common stock issued in connection with the acquisition	138,095	138,095
Shares of common stock issued in exchange for ordinary shares of FA Sub 1 Limited	33,000	33,000
Shares of common stock issuable in exchange for FA Sub 2 Limited Exchangeable Shares	58,905	58,905
Shares redeemed	(10,555)	
Pro forma basic and diluted EPS denominator	289,245	299,800

It has been assumed that the 33,000,000 ordinary shares of FA Sub 1 Limited will be acquired in exchange for 33,000,000 shares of Freedom common stock following consummation of the acquisition.

The Exchangeable Shares of FA Sub 2 Limited are exchangeable for 58,904,993 shares of Freedom common stock at any time for no cash consideration.
Upon exchange of the FA Sub 2 Limited Exchangeable Shares, an equivalent number of shares of Freedom Series A preferred stock will be concurrently redeemed. The shares of Freedom Series A preferred stock are entitled to one vote per share and to vote with the common stockholders as a single class but have no economic rights. In contrast the Exchangeable Shares carry dividend and liquidation rights but no voting rights except for certain limited matters which will require the majority vote or written consent of the holder of Exchangeable Shares. The dividend rights of the Exchangeable Shares are such that the shareholders will receive an equivalent dividend as the common stockholders in addition to a cumulative dividend. Therefore the holder of Exchangeable Shares, through his combined ownership of the FA Sub 2 Limited Exchangeable Shares and the Class A preferred stock, has rights that are the same as the Freedom common stockholders with respect to liquidation and voting. With respect to dividends, the holder of Exchangeable Shares has rights that are in excess of those of the common stock holders of Freedom. Therefore, the number of common shares that are contingently issuable on exchange of the FA Sub 2 Limited Exchangeable Shares has been included in the basic earnings per share denominator. In addition the cumulative dividend on the FA Sub 2 Limited Exchangeable Shares that represents a right that is in excess of those of the common stockholders has been deducted from the numerator of basic earnings per share.

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION (Continued)
(In thousands, except share and per share amounts)

The number of pro forma additional shares that could potentially dilute pro forma basic earnings per share in the future that were not included in the computation of pro forma diluted earnings per share, because to do so would have been antidilutive are summarized as follows:

	Six Months Ended June 30, 2007	Year Ended December 31, 2006
Public Offering Warrants	52,800,000	52,800,000
Founders Warrants	12,000,003	12,000,003
Sponsors Warrants	4,500,000	4,500,000
Co-Investment Warrants	5,000,000	5,000,000
	74,300,003	74,300,003

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ORGANIZATIONAL STRUCTURE

The two principal entities operating GLG s business are GLG Partners LP, an English limited partnership, and GLG Partners Services LP, a Cayman Islands exempted limited partnership.

The UK and Irish Group

GLG Partners LP is the investment manager of the GLG Funds and managed accounts. The general partner of GLG Partners LP is GLG Partners Limited, an English company. The shareholders of the general partner are Messrs. Gottesman, Green, Roman and Lagrange and Lehman (Cayman Islands) Ltd. (Lehman). There are three limited partners of GLG Partners LP:

GLG Holdings Limited, a British Virgin Islands company. This is a holding company owned by Lehman, and the trustees of the Gottesman GLG Trust, Lagrange GLG Trust and Green GLG Trust.

Albacrest Corporation, a British Virgin Islands company, which is wholly owned by the Roman GLG Trust.

Laurel Heights LLP, an English limited liability partnership. The membership interests of Laurel Heights LLP are primarily held, directly or indirectly, by key personnel of GLG who participate in the limited partner profit share arrangement and, in some cases, the equity participation plan. These key personnel hold direct profits interests in Laurel Heights LLP* and those who participate in the equity participation plan also hold capital interests through Sage Summit LP, an English limited partnership, which wholly owns Liberty Peak Limited, which holds a capital interest in Laurel Heights LLP consisting of Laurel Heights LLP s capital interest in GLG Partners LP. The managing member of Laurel Heights LLP is Mount Granite Limited.

The limited partnership agreement of GLG Partners LP vests the management of the partnership exclusively with the general partner, including the power to allocate profits and losses among the general and limited partners and the power to make distributions to the general and limited partners, provided that no more than £25,000 may be allocated to the general partner for any fiscal year. In addition, the limited partnership agreement of GLG Partners LP provides that, among other things:

new limited partners may only be admitted with the consent of the general partner;

limited partnership interests may only be transferred with the consent of the general partner;

the general partner shall serve as general partner until its resignation, bankruptcy, dissolution or liquidation and a successor general partner may only be appointed with the consent of all the limited partners;

the limited partnership will be dissolved and wound up by the general partner upon the first to occur of (1) the written consent of the general partner and all of the limited partners and (2) the sale of all or substantially all of the assets of the limited partnership; and

the limited partnership agreement may be amended solely with the consent of the general partner.

GLG Partners Asset Management Limited, an Irish company, is the manager of the GLG Funds authorized in Ireland. Its shareholders are Lehman, and the trustees of the Gottesman GLG Trust, Lagrange GLG Trust and Green GLG Trust.

Note: The profits interests marked with an asterisk above are not being acquired by Freedom as part of the acquisition.

The Cayman Islands Group

GLG Partners Services LP engages in marketing activities and provides investor relations services outside the United Kingdom. The general partner of GLG Partners Services LP is GLG Partners Services Limited, a Cayman Islands exempted company. The shareholders of the general partner are Lehman and the trustees of

the Gottesman GLG Trust, Lagrange GLG Trust and Green GLG Trust. There are four limited partners of GLG Partners Services LP:

Steven Roth, a GLG investment professional who holds a profits interest.**

Saffron Woods Corporation, a British Virgin Islands company, which is wholly owned by a trust for the benefit of Greg Coffey, a GLG investment professional, and his family, which holds a profits interest.**

Betapoint Corporation, a British Virgin Islands company, which is wholly owned by the Roman GLG Trust.

Lavender Heights LLP, a Delaware limited liability partnership. The membership interests of Lavender Heights LLP are primarily held, directly or indirectly, by key personnel of GLG who participate in the limited partner profit share arrangement and, in some cases, the equity participation plan. These key personnel hold direct profits interests in Lavender Heights LLP** and those who participate in the equity participation plan also hold capital interests through Lavender Heights Capital LP, a Delaware limited partnership, which wholly owns Knox Pines Limited, which holds a capital interest in Lavender Heights LLP consisting of Lavender Heights LLP s capital interest in GLG Partners Services LP. The managing member of Lavender Heights LLP is Mount Garnet Limited.

The limited partnership agreement of GLG Partners Services LP vests the management of the partnership exclusively with the general partner, including the power to allocate profits and losses among the general and limited partners. In addition, the limited partnership agreement of GLG Partners Services LP provides that:

new limited partners may only be admitted with the consent of the general partner;

limited partnership interest may only be transferred with the consent of the general partner;

the general partner may in its absolute and sole discretion remove, for any reason and no reason, any limited partner admitted after April 30, 2006, including Steven Roth and Saffron Woods Corporation;

the general partner shall serve as general partner until its resignation, bankruptcy, dissolution or liquidation and a successor general partner may only be appointed with the consent of all the limited partners;

the limited partnership will be dissolved and wound up by the general partner upon the first to occur of (1) the written consent of the general partner and all of the limited partners and (2) the sale of all or substantially all of the assets of the limited partnership; and

the limited partnership agreement may be amended solely with the consent of the general partner.

Note: The profits interests marked with a double asterisk above are not being acquired by Freedom as part of the acquisition.

GLG Partners (Cayman) Limited, a Cayman Islands exempted company, is the manager of GLG Funds registered in the Cayman Islands and Luxembourg. GLG Partners International (Cayman) Limited, a wholly owned subsidiary of GLG Partners (Cayman) Limited, manages unit trusts offered in Japan. GLG Partners Corporation, a wholly owned subsidiary of GLG Partners (Cayman) Limited, engages in preliminary activities preparatory to client management in the United States.

Other GLG Entities

GLG Inc., an independently owned Delaware corporation provides research, marketing and other services to GLG and which GLG plans to acquire after the Freedom acquisition.

Limited Partner Profit Share Arrangement

Beginning in mid-2006, GLG entered into partnership with a number of its key personnel in recognition of their importance in creating and maintaining the long-term value of GLG, thereby establishing the limited partner profit share arrangement. These individuals ceased to be employees and either became direct or

indirect holders of limited partnership interests in GLG or formed Laurel Heights LLP and Lavender Heights LLP through which they provide services to GLG. Future participants in the limited partner profit share arrangement are expected to participate as members of Laurel Heights LLP and, in certain cases, Lavender Heights LLP. Through these partnership interests, GLG s key personnel are entitled to partnership draws and limited partner profit distributions. New key personnel and additional existing personnel may be admitted as new members of Laurel Heights LLP and Lavender Heights LLP. In addition, current members of Laurel Heights LLP and Lavender Heights LLP who cease to provide services to GLG will be removed as members of Laurel Heights LLP and Lavender Heights LLP. We refer to these amounts as the limited partners profit shares . Key personnel that are participants in the limited partner profit share arrangement do not receive salaries or discretionary bonuses from GLG. As noted above, Freedom is not acquiring the membership interests of GLG s key personnel in Laurel Heights LLP and Lavender Heights LLP or Saffron Woods or Steven Roth s interest in GLG Partners Services LP representing this interest in the limited partner profit share arrangement. These interests will remain outstanding after the consummation of the acquisition and related transaction. The amounts distributed to Laurel Heights LLP by GLG Partners LP and to Lavender Heights LLP, Saffron Woods Corporation and Steven Roth by GLG Partners Services LP, on account of their respective limited partnership interests will be determined by the respective general partners of the limited partnerships, whose decisions will be controlled by GLG s management. The amounts received by Laurel Heights LLP and Lavender Heights LLP will be distributed by them to GLG s key personnel who are their members as limited partner profit shares in such amounts as shall be determined by their respective managing members, whose decisions will be controlled by the Principals or the Trustees, as the case may be. Other than distributions in connection with the limited partners profit share arrangement, Laurel Heights LLP, Lavender Heights LLP Saffron Woods and Steven Roth are not expected to receive any other distributions from GLG Partners LP or GLG Partners Services LP.

GLG Funds

The GLG Funds are structured as limited liability companies incorporated either in the Cayman Islands, Ireland or Luxembourg and each has its own, majority independent, board of directors.

Post-Closing Structure

The diagram under The Acquisition General Acquisition Structure depicts our organizational structure immediately after the consummation of the acquisition and related transactions.

After giving effect to the issuance of the securities in connection with the co-investment and the acquisition, Freedom s public stockholders, including our founders and directors, will hold Freedom common stock, which collectively represent approximately 23% of Freedom s common equity, and the GLG Shareowners (including the Trustee for the Gottesman GLG Trust through their holdings of Exchangeable Shares and Series A preferred stock) will hold Freedom common stock and common stock equivalents which collectively represent approximately 77% of Freedom s common equity. These amounts assume that none of the warrants are exercised.

The Trustee for the Gottesman GLG Trust will hold 100% of the Series A preferred stock, which represents approximately 20% of the combined voting power of Freedom. The Series A preferred stock has a nominal economic interest in Freedom.

Freedom will hold 100% of the ordinary shares of FA Sub 1 Limited, assuming that all of the ordinary shares issued at the closing to Knox Pines and Liberty Peak subject to the put/call arrangement set forth in the shares exchange agreement described in Agreements Related to the Acquisition Shares Exchange Agreement are exchanged following the closing for Freedom common stock.

FA Sub 1 Limited will hold 100% of the Class A ordinary shares of FA Sub 2 Limited, and the Trustee for the Gottesman GLG Trust will own 100% of the Exchangeable Shares of FA Sub 2 Limited.

FA Sub 2 Limited will hold 100% of the ordinary shares of FA Sub 3 Limited.

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INDUSTRY

Asset Management

Overview

Asset management generally involves the management of investments by third-party managers on behalf of investors. The total value of AUM worldwide was estimated to exceed $45 trillion in 2006. The asset management industry has experienced significant growth in worldwide AUM in the past ten years, fueled in significant respects by aging populations in both developed and emerging markets around the world, which have increased the pools of savings and particularly pension assets.

Asset managers employ a diverse range of strategies, which may be generally divided into two broad categories:

- traditional or long-only investment strategies; and
- alternative investment strategies.

Traditional or long-only asset management, in general, involves managing portfolios of equity, fixed income and/or derivative securities and may include funds of funds. The investment objective of these portfolios may include total return, capital appreciation, current income and/or replicating the performance of a specific index. Such portfolios may include investment companies (*e.g.*, mutual funds and exchange-traded funds) or separate accounts managed on behalf of individuals or institutions. Investors in traditional or long-only funds may have certain limitations on withdrawals or may have unrestricted access to their funds through market transactions, in the case of closed-end mutual funds and exchange traded funds, or through withdrawals, in the case of open-end mutual funds and separate managed accounts. Traditional and long-only fund managers are generally compensated with fees that are a percentage of AUM.

Alternative asset management, in general, involves a variety of investment strategies where the common element is the manager s goal of delivering investment performance on an absolute return basis within certain predefined risk parameters and investment guidelines. The universe of alternative asset managers includes hedge funds, funds of funds (*i.e.*, funds that invest in other investment funds), private equity funds, real estate funds, venture capital and mezzanine and structured debt funds.

Alternative asset management vehicles have been the fastest growing segment of the asset management industry in part because many investors have sought to diversify their investment portfolios to include alternative asset strategies and alternative asset managers have generally delivered superior returns with a lower correlation to the broader market performance than traditional asset management strategies.

Hedge Funds

Hedge funds are generally privately held or unregistered investment vehicles managed with the primary aim of delivering positive risk-adjusted returns under all market conditions. Hedge funds differ from traditional or long-only asset management vehicles in the more varied asset classes in which they may invest or the more varied strategies they employ, including arbitrage, asset-based lending, distressed securities, equity long-short, global macro and other quantitative and non-quantitative strategies. Hedge fund managers generally earn a base management fee based on the net asset value of the AUM in the fund and also typically earn performance fees based on the overall performance of

the funds that they manage. Investors can invest and withdraw capital from the funds periodically in accordance with the terms of the prospectus, offering memorandum or subscription agreement for the funds, which may include an initial period of time in which capital may not be withdrawn, allowing for withdrawals only at specified times and other limitations on withdrawals.

Historically, hedge funds have generated positive performance across a variety of market conditions with less correlation to the performance of traditional benchmarks. Hedge funds achieve this through a variety of methods, including use of short selling, hedging or arbitrage strategies and inclusion of fixed income-related securities or derivatives in investment portfolios. As a result of employing these strategies, hedge funds have

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been utilized by an increasing number of institutional asset managers as diversification instruments and, in light of the generally positive performance, have experienced significant asset inflows in recent years.

Global AUM in the hedge fund industry, as reported by HFR Industry Reports, have grown from approximately $456 billion at December 31, 1999 to an estimated $1.4 trillion at December 31, 2006, a 17.7% compound annual growth rate.

Funds of Funds

Funds of funds managers invest in a portfolio of other investment funds rather than investing directly in stocks, bonds or other securities. Funds of funds managers are predominantly associated with investments in alternative strategies such as hedge funds and private equity, but some funds of funds managers invest in portfolios of traditional funds. Funds of funds managers generally earn fees based on a percentage of net asset value of AUM in the fund and may also earn performance fees. Investor liquidity varies by manager and strategy. Funds of funds generally seek to deliver the risk/return profile of the underlying fund s asset category from a diversified group of managers.

Growth of the funds of funds business is driven by the increasing interest in the underlying alternative strategies of hedge funds and private equity, and by many investors preference for investing in alternative investments on a broadly diversified basis. Funds of funds help investors reduce risk by limiting exposure to single managers and by closely monitoring manager performance and making allocation decisions. Commitments to funds of funds vehicles have increased substantially over the past several years.

According to HFR Industry Reports, total assets invested in funds of funds have grown from $76 billion at the end of 1999 to $547 billion at the end of 2006, representing a 32.6% compound annual growth rate.

Industry Trends

The following factors are expected to influence the alternative asset management industry s growth:

Growing investor interest in absolute return products

Prior to the late 1990s, investor interest in absolute return products was relatively limited. However, following the downturn in global equity indices between 2000 and 2002, a broader range of investors became attracted to products targeting absolute rather than relative returns, driving strong inflows into the hedge fund industry.

As interest in absolute return products has increased, institutions have also become interested in methods of applying absolute-style strategies across the large proportions of their portfolios which are not allocated to alternative investments such as hedge funds. This trend is creating demand for a new style of long-only asset management product, which builds on the tools and techniques used by hedge fund managers to enhance risk-adjusted returns in a fund format acceptable to regulators and investors who do not wish to or who are restricted from investing in funds that take short positions or make substantial use of leverage or derivatives.

The opening up of third-party distribution channels

In the 1990s, the distribution of asset management products was dominated by large asset management firms distributing their own proprietary funds through in-house distribution channels. The increasing focus on manager performance, rather than brand or product range, as a differentiating factor has resulted in many major distributors adopting an open architecture strategy, distributing third-party products alongside their own in-house funds. This strategic shift is beginning to take hold in previously closed markets, to the benefit of independent, high performing

managers lacking significant internal distribution capabilities.

Increasing portfolio allocations from institutional investors

Based on their relative share of new investment flows, alternative asset management strategies have gained market share from traditional asset management strategies and are expected to continue to do so.

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According to McKinsey & Company, the percentage of net new investment flows into alternative asset classes has grown from 7% to 22% between 2001 and 2005. Hedge funds alone are reported by McKinsey & Company to have received approximately 40% to 50% of these flows during 2005.

Much of the recent growth in the alternative investment industry can be attributed to investments by a growing community of individual and institutional investors seeking alternative asset management strategies as a means to obtain diversification improving the risk adjusted return profile of their portfolios. Despite the rapid expansion in institutional inflows, alternative asset management strategies still account for a relatively small portion of total institutional assets, which in turn implies significant opportunity for continued growth. Among hedge funds, for example, Casey, Quirk & Associates reported that global institutional holdings are expected to grow from approximately $360 billion in October 2006 to over $1 trillion by 2010. Likewise, global hedge fund allocations, in the aggregate, are expected to rise to 3.5% of overall institutional assets by 2010 from 2% in October 2006. The increased role of institutional investors has resulted in increased professionalism in the industry and a greater focus on risk management and investment operations.

Increasing demand for transparency and controls from the largest institutional investors has created an opportunity for the largest, most established and developed alternative asset managers

Institutional investors are attracted to larger funds with well established track records, systems, operations and advanced risk management capabilities. The institutionalization of the alternative asset management industry is driving alternative asset managers to develop more robust infrastructures, as large institutional investors require greater transparency and robust risk management systems. Managers controlling larger pools of assets typically manage multiple funds with various strategies and, in the case of hedge funds, may have the ability to allocate capital among strategies in a dynamic fashion based on market conditions. As a result, the number of managers controlling larger pools of assets in the hedge fund sector has increased in recent years.

Regulatory developments have expanded the market for alternative investments

The interest among investors for the opportunity to invest in alternative asset classes has grown over recent years and partly in response to this the European Union has sought to make the regulatory regime in the European Union more flexible. Investment funds which qualify under the European Communities (Undertakings for Collective Investment in Transferable Securities) Directive 1985, which we refer to as the UCITS Directive, are, in principle, entitled to market themselves to the public in any member state of the European Union by virtue of being appropriately authorized in a single member state of the European Union, subject to making relevant notifications in the host member state. These funds, referred to as UCITS Funds, are subject to comprehensive investment restrictions, including anti-concentration limits, prohibitions on investing in certain asset classes (such as real estate and derivatives) and limits on borrowing.

The UCITS Directive has been amended by the UCITS Management Directive 2001 and the UCITS Product Directive 2001 (collectively, referred to as UCITS III) which was due to have been in force in all member states of the European Union by February 2004. UCITS III widens the range of investments in which a UCITS Fund may invest to include investments such as financial derivative instruments and money market instruments, allows a UCITS Fund to make greater use of leverage and aims to provide an enhanced investor protection regime. Effective February 2007, all UCITS Funds must comply with UCITS III.

INFORMATION ABOUT GLG

Business

Overview

GLG, the largest independent alternative asset manager in Europe and the eleventh largest globally, offers its base of long-standing prestigious clients a diverse range of investment products and account management services. GLG s focus is on preserving clients capital and achieving consistent, superior absolute returns with low volatility and low correlations to both the equity and fixed income markets. Since its inception in 1995, GLG has built on the roots of its founders in the private wealth management industry to develop into one of the world s largest and most recognized alternative investment managers, while maintaining its tradition of client-focused product development and customer service.

GLG uses a multi-strategy approach, offering approximately 40 funds across equity, credit, convertible and emerging markets products. GLG has achieved strong and sustained absolute returns in both alternative and long-only strategies. As of June 30, 2007, GLG s gross AUM (including assets invested from other GLG Funds) were approximately $21.5 billion, up from approximately $3.9 billion as of December 31, 2001, representing a compound annual growth rate, or CAGR, of 36%. As of June 30, 2007, GLG s net AUM (net of assets invested from other GLG Funds) were approximately $18.6 billion, up from approximately $3.9 billion as of December 31, 2001, representing a CAGR of 33%. GLG has achieved a 17.3% dollar-weighted compound net annual return on its alternatives strategies since its first fund launch in 1997. The chart above sets forth the growth of GLG s gross and net AUM since 2001.

Headquartered in London, GLG has built an experienced and highly-regarded investment management team of 95 investment professionals and supporting staff of 205 personnel, representing decades of experience in the alternative asset management industry. This deep team of talented and dedicated professionals includes a significant number of people who have worked with GLG since before 2000. In addition, GLG receives dedicated research and administrative services from GLG Inc., an independently owned entity with 27 personnel in New York, which GLG has recently agreed to acquire, subject to certain conditions. For purposes of this proxy statement, personnel refers to employees of GLG and the individuals who are members of Laurel Heights LLP and Lavender Heights LLP and who provide services to GLG through these entities.

GLG has built a highly scalable investment platform, infrastructure and support system, which represent a combination of world-class investment talent, cutting-edge technology and rigorous risk management and controls.

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GLG manages a portfolio of approximately 40 funds, comprising both alternative and long-only strategies. The charts below summarize the diversity of GLG s overall gross AUM as of June 30, 2007.

GLG employs a multi-strategy approach across the funds it manages, with low correlations of returns across product asset classes. The diversity of these funds and their strategies provides GLG with more stable performance fee revenue than more narrowly-focused alternative investment managers. The chart below summarizes for the seven largest single-manager GLG Funds the correlation of returns between individual funds, as well as the correlation of each fund to the S&P 500 Index and the MSCI World Index, based on monthly returns from the fund inception date to June 30, 2007. Correlation represents a statistical measure of the degree to which the return of one GLG Fund is correlated to the return of another GLG Fund, the S&P 500 Index or the MSCI World Index. It is expressed as a factor that ranges from −1.00 (perfectly inversely correlated) to +1.00 (perfectly positively correlated). A correlation of 0 indicates no correlation at all. For example, the correlation between the GLG Emerging Markets Fund and the GLG North American Opportunity Fund is 0.36, indicating a relatively low correlation between the investing strategies of each fund. Thus, the chart illustrates how relatively uncorrelated the strategies of the GLG Funds are to one another and to general market indices, resulting in a more stable flow of performance fees over an extended period of time.

	Alternatives					Long-Only*	
	Emerging Markets ($2.5bn Gross AUM)	**European Long-Short ($2.5bn Gross AUM)**	**Market Neutral ($2.4bn Gross AUM)**	**North American Opportunity ($1.1bn Gross AUM)**	**Global Convertible UCITS ($1.5bn Gross AUM)**	**European Equity ($1.2bn Gross AUM)**	**Capital Appreciation ($1.0bn Gross AUM)**
Emerging Markets	1.00	0.58	0.50	0.36	0.49	0.54	0.61
European Long-Short	0.58	1.00	0.52	0.57	0.15	0.21	0.29
Market Neutral	0.50	0.52	1.00	0.52	0.52	0.27	0.54
North American Opportunity	0.36	0.57	0.52	1.00	0.50	0.37	0.59
Global Convertible UCITS	0.49	0.15	0.52	0.50	1.00	0.76	0.85
European Equity	0.54	0.21	0.27	0.37	0.76	1.00	0.76
Capital Appreciation	0.61	0.29	0.54	0.59	0.85	0.76	1.00
S&P 500 Index	0.31	(0.03)	0.16	0.31	0.65	0.75	0.65
MSCI World Index	0.39	0.05	0.26	0.36	0.72	0.85	0.75

* AUM figures include distributing funds; returns are for non-distributing fund.

GLG s success has been driven largely by its strong and sustained track record of investment performance. The chart below summarizes investment performance since the launch of GLG s first fund in 1997 by looking at the cumulative dollar-weighted net annual returns for all GLG Funds (excluding FoHFs) and for the single-manager alternative strategy GLG Funds.

History

Messrs. Gottesman, Lagrange and Green, who had worked together at Goldman Sachs Private Client Services since the late 1980s, left to form GLG as a division of Lehman International in September 1995, with significant managerial control. Initially, GLG managed accounts for private client investors, primarily high and ultra-high net worth individuals from many of Europe s wealthiest families, with whom the founders had pre-existing relationships. GLG began to offer fund products in early 1997.

By 1998 GLG had exceeded the five-year profitability target which had been jointly set by the founders and Lehman International in 1995. In 2000, GLG s senior management, which added Philippe Jabre in 1997, wanted to grow its business as an independent company. As a result, GLG became an independent business in 2000. A subsidiary of Lehman Brothers Holdings Inc. initially held a 20% minority interest and now holds a 15.3% interest. Mr. Green retired from GLG at the end of 2003, and Mr. Jabre resigned from GLG in early 2006.

Since its separation from Lehman International in 2000, GLG has invested considerable resources to develop a cohesive investment management team and robust platform to allow GLG to participate in the strong growth of the alternative investment management industry. GLG has successfully established a fully independent infrastructure, seen overall headcount grow from approximately 55 in 2000 to 327 as of July 31, 2007 (including 27 personnel at GLG Inc.) and recruited a significant number of high-quality individuals from leading financial services businesses both to deepen GLG s talent pool and management base and to support a substantial range of new product initiatives.

Emmanuel Roman, a former Partner of Goldman Sachs, joined GLG in 2005 as a non-investment manager Co-Chief Executive Officer.

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Competitive Strengths

GLG is one of the leading alternative asset managers in the world. Moreover, GLG s strength in Europe and the United Kingdom has given it a highly respected brand name in the industry and has enabled it to attract and retain highly talented investment professionals as well as to invest heavily in its infrastructure. GLG believes that it enjoys distinct advantages for attracting and retaining talent, generating investment opportunities and increasing AUM because of the strength and breadth of its franchise. By capitalizing on what it regards as its competitive strengths, GLG expects to extend its record of growth and strong investment performance.

GLG Team and Culture

GLG has a deep team of talented and dedicated professionals, a number of whom have worked at GLG since before its separation from Lehman International in 2000. GLG s high-quality and well-motivated team of investment professionals, led by two of GLG s Managing Directors, Messrs. Gottesman and Lagrange, is characterized by exceptional investment and product development experience and expertise. Several of GLG s investment professionals are widely recognized leaders and pioneers in the alternative investment management industry. In addition to its 95 investment professionals, GLG has 205 professionals in its marketing, legal, compliance, accounting, administrative, risk management, operations and technology groups. GLG has invested heavily for over ten years in recruiting, retaining and supporting this strong and cohesive team because it believes that the quality of this team has contributed and will continue to contribute materially to the strength of its business and the results it achieves for its clients. Extensive industry experience and consistency in the senior management team provide GLG with considerable continuity and have served to define its professional culture.

GLG s management believes that a team approach, in which investment professionals managing multiple strategies and asset classes are encouraged to share investment perspectives and information (for example, equity, credit and emerging market specialists working together, or industry teams working across geographic regions), promotes the cross-fertilization of ideas, investment strategies and product development within the organization. Management views this team dynamic as a critical contributor to both GLG s investment success and its ability to develop new product initiatives.

Long-standing Relationships with a Prestigious Client Base

GLG has forged long-standing relationships with many of Europe s wealthiest families and prestigious institutional asset allocators. GLG enjoys a balanced investor base made up of roughly half high and ultra-high net worth individuals and half institutional investors. GLG has discretionary power to allocate a significant portion of the assets invested by high and ultra-high net worth individuals among its various fund products. With a foundation of firmly established relationships, some originating prior to GLG s inception in 1995, GLG enjoys a loyal client base. In addition to representing a high-quality source of client referrals, many of these clients have significant industry and regional knowledge, as well as experience and relationships that GLG is able to leverage in the investment process. GLG s focus on client relationship management through its marketing team and customized investment solutions places it in a strong position both to capture a greater proportion of the investable wealth of existing accounts and to attract new clients.

Differentiated Multi-Strategy Approach and Product Offerings

By offering a wide variety of investment strategies and products, in contrast to single strategy managers, GLG offers a broad solution, deploying client assets across a variety of investment products among its portfolio of approximately 40 fund products. By spinning-off successful strategies into new funds, GLG has been able to expand its portfolio of separate independent funds, creating growth opportunities with new and existing clients. GLG s multi-strategy

approach provides significant advantages to its clients, most importantly the flexibility to redeploy client assets quickly among other GLG Funds in GLG s diversified portfolio of investment products in the face of changing market conditions. GLG s multi-strategy profile also enhances the stability of GLG s performance fee-based revenues, as fluctuations in fund performance and performance fees

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are modulated across the broad and diverse portfolio of investment products. In addition, GLG s diversified investment product offerings allow it to take advantage of cross-selling opportunities with new and existing clients, thereby attracting or retaining investment capital that might otherwise go to non-GLG investment vehicles. Furthermore, through its managed account product, GLG is able to create sophisticated and highly customized solutions for its clients, providing products tailored to client requirements.

Strong and Sustained Investment Track Record

The GLG Funds have generated substantial absolute returns since inception, during periods of both supportive and difficult market conditions. By focusing on its core competencies, GLG has achieved outstanding returns dollar-weighted compound net annual returns of 17.3% in all alternative strategies funds and 15.5% in all GLG Funds (excluding FoHFs) since 1997. Dollar-weighted annual returns are calculated as the composite performance of all constituent funds, weighted by fund size, with performance measured by core class in each fund.

Institutionalized Operational Processes and Infrastructure

GLG has invested considerable resources into developing its personnel base and establishing its infrastructure. GLG has developed highly institutionalized product development, investment management, risk management, operational and information technology processes and controls. Management believes that GLG s institutionalized product platform, operational and systems infrastructure and distribution channels are highly scalable and are attractive to institutional investors who are seeking investment funds with well-developed and robust systems, operations and advanced risk management capabilities. This, in turn, enhances GLG s ability to participate in the strong growth of the investment management industry and demand for absolute return products.

Alignment of Interests

GLG s superior performance is due, in part, to the close alignment of interests among its management, personnel and clients. Currently, approximately 77% of GLG s equity is owned by the Principals, the Trustees and GLG s key personnel. After consummation of the acquisition transaction, the Principals, the Trustees, GLG s officers and directors, GLG key personnel, employees and service providers, and their respective affiliates, Lavender Heights Capital LP and Sage Summit LP are expected to own collectively approximately 66% of our company after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding Freedom warrants. GLG s management believes that this ownership by these key personnel will be an important contributor to GLG s success by motivating these key personnel to provide outstanding fund performance, generate significant revenues for GLG through management and performance fees and thereby increase the value of their ownership interests. In this manner, GLG s key personnel have a stake in the success of all of GLG s products, not just those in which they work personally. These ownership interests will continue to align the interests of its Principals and key personnel with their clients, as well as with the other holders of our capital stock, encourage cooperation across strategies and create greater opportunities for our business.

In addition, GLG s three Principals and certain key personnel are expected to invest at least 50% of the after-tax cash proceeds they receive in the acquisition in GLG Funds, demonstrating their confidence in its investment strategies and further aligning their interests with those of GLG s clients and the holders of our capital stock. Upon the consummation of the acquisition transaction, GLG s Principals, the Trustees and these key personnel and their families and associated entities are expected to have in excess of $ million invested in its funds and will pay the same fees and otherwise invest on the same terms as other investors.

Furthermore, a significant portion of the compensation and limited partner profit share of GLG s key personnel (other than the Principals) is based on the performance of the funds and accounts GLG manages. In addition, GLG s key

personnel are eligible to receive discretionary bonuses and limited partner profit share, which are based upon individual and firm-wide performance.

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Growth Strategies

Extend Strong Investment Track Record

Over time, GLG s principal goal of achieving substantial absolute returns for its investors has remained unchanged. Since inception, GLG has achieved a strong and sustained investment track record. In the process, GLG has established itself as a leading alternative asset manager and has attracted an established high and ultra-high net worth individual and institutional client base.

Expand Investment Products and Strategies

GLG has consistently developed and added new products and strategies to its business, and intends to continue to expand selectively its products and strategies. GLG s multi-strategy approach allows GLG to offer clients a full-service solution, provides diversity and adds stability to GLG s performance fee-based revenues. It currently offers approximately 40 investment fund products, including its recently launched GLG Environmental Fund, GLG Emerging Markets Special Situations Fund and GLG Esprit Fund (a quantitative long-short fund), and has several other fund products in the product development pipeline, including its first UCITS III Fund expected in September 2007. Over the last five years, GLG had added an average of five new fund products a year. GLG continues to emphasize the importance of innovation and responsiveness to client demands and market opportunities, and believes that the close and long-term relationships that it enjoys with its clients are a key source of market research helping to drive the development of new products and strategies.

Build on Success in Europe and the United Kingdom to Penetrate Other Major Markets

GLG is focused on developing a much more significant global presence and views the acquisition as a key step in achieving this goal. GLG intends to expand its client relationships and distribution capabilities in regions where it has not actively sought clients, particularly the United States, the Middle East and Asia, and through new distribution channels and joint ventures. GLG believes that clients and institutions in these regions could represent a significant portion of future AUM growth. For example, although the United States currently represents 57% of the total alternative asset management market, according to Hedge Fund Research, Inc., it represents a de minimus portion of GLG s net AUM. GLG has recently agreed to acquire GLG Inc. subject to certain conditions, including registration by GLG Inc. and GLG Partners LP (to the extent required by applicable law) as investment advisers under the Investment Advisers Act. GLG also believes that becoming a publicly traded, NYSE-listed company will further enhance the brand awareness of GLG and its business and will facilitate AUM growth by attracting new clients, particularly from the United States and other under-penetrated geographic markets.

On August 16, 2007, Istithmar, the Government of Dubai-owned private equity and alternative investment firm, and Sal. Oppenheim, Europe s largest independent private bank, each completed the purchase of shares in GLG Holdings Limited and GLG Partners Services Limited equal to 3.92% of the outstanding shares in those entities and shares in GLG Partners Limited, GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited equal to 3.53% of the outstanding shares in those entities from Jonathan Green, one of GLG s founders who retired from GLG in 2003. Both will also be investors in GLG Funds.

Products and Services

Investment Products

GLG has five major categories of products:

Single-manager alternative strategy funds: These funds represent GLG s core investment product and are the primary means by which investors gain exposure to GLG s core alternative investment strategies. This category comprises 18 individual funds, each being managed according to distinct investment strategies, including equity long-short funds, mixed-asset long-short funds, multi-strategy arbitrage funds, convertible bond funds, credit long-short funds and a commodities trading fund and may be characterized by the use of leverage, short positions and/or derivatives. These single-manager

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alternative strategy funds have gross AUM of approximately $12.8 billion representing 59% of total gross AUM and net AUM (net of alternative fund-in-fund investments) of approximately $11.6 billion. The largest funds in this category are: the GLG European Long-Short Fund, the GLG Emerging Markets Fund, the GLG Market Neutral Fund, the GLG North American Opportunity Fund and the GLG Global Convertible Fund. These funds may also make use of fund-in-fund investment whereby one single manager alternative strategy fund may hold exposure to another single-manager alternative strategy fund. In order to accurately represent this sub-investment, management tracks AUM on both a gross and a net basis. In a gross presentation, sub-invested funds will be counted at both the investing and investee fund level. Net presentation removes the assets at the investing fund level, indicating the total external investment from clients.

Long-only funds: The long-only funds facilitate access to GLG s leading market insight and performance for those clients who are seeking full (non-hedged) exposure to the equity markets across geographic and sector-based strategies, while benefiting from GLG s investment expertise. GLG currently operates 13 long-only funds, which have gross AUM of approximately $4.4 billion representing 20% of total gross AUM. The largest funds in this category are: the GLG Global Convertible UCITS Fund, the GLG Capital Appreciation Fund and the GLG European Equity Fund.

Funds of GLG funds (internal FoHF): These funds are structured to provide broad investment exposure across GLG s range of single-manager alternative strategy funds, as well as being a means by which investors may gain exposure to funds that are currently not being marketed. GLG currently has four internal FoHF funds, representing 8% of total gross AUM. The largest funds in this category are: the GLG Multi Strategy Fund SICAV and the GLG Global Opportunity Fund.

Presentation of the AUMs of these funds on a net basis results in minimal AUM figures, as the vast majority of their assets are sub-invested in underlying GLG single-manager alternative strategy funds, with net AUM representing only small cash balances. Due to active fund management decisions regarding leverage for investment or settlement purposes and/or due to the mechanics of the process by which GLG s internal FoHFs are required to place investments into underlying single-manager alternative strategy funds, the value of the investments held by any internal FoHF may not be exactly equal to the gross AUM of that fund at any point in time.

Multi-manager funds (external FoHF): The multi-manager funds represent GLG s external FoHF offering, currently comprising five funds and 3% of total gross AUM. These funds are invested into funds managed by external asset management businesses (and, in one case, a GLG Fund). The largest funds in this category are: the Prescient Alpha Fund and the GLG MMI Enhanced Fund.

Any investment of external FoHF assets into underlying GLG Funds is removed from the net presentation of an external FoHF s AUM.

Managed accounts: GLG offers managed account solutions to larger institutional clients who want exposure to GLG s investment strategies, but are seeking a more customized approach. Managed accounts currently represent 8% of total gross AUM through 20 separate accounts.

Fund Performance and Structure

GLG s historical success has been driven by its strong and sustained track record of investment performance. GLG s investment strategies have delivered cross-cycle outperformance when compared to the equity and fixed income markets.

When viewed at the individual fund level, GLG s performance (net of all fees paid to GLG) is equally impressive. The table below presents historical net performance for all active GLG Funds (which are not in the process of being liquidated) by AUM in each of the product categories as of June 30, 2007. It should be noted that the alternative strategy funds seek to deliver absolute performance across a broad range of market conditions.

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	Gross AUM	Net AUM	Inception Date	Net Performance Since Inception*	Annualized Net Return*
Alternative Strategies					
GLG European Long-Short Fund(1)	$ 2.54bn	$ 2.32bn	1-Oct-00	147.72%	14.39%
MSCI Europe Index (Loc)				*1.69%*	*0.25%*
GLG Financials Fund(1)	$ 0.26bn	$ 0.06bn	3-Jun-02	74.45%	11.59%
S&P Global 1200 Financial Sector Index				*67.64%*	*10.72%*
GLG Technology Fund(1)	$ 0.30bn	$ 0.08bn	3-Jun-02	72.36%	11.33%
NASDAQ Index				*60.06%*	*9.71%*
GLG Alpha Select Fund(1)	$ 0.53bn	$ 0.16bn	1-Sep-04	32.12%	10.36%
FTSE 100 Index (GBP)				*48.18%*	*14.94%*
GLG Consumer Fund(1)	$ 0.09bn	$ 0.02bn	1-Nov-05	30.20%	17.23%
MSCI World Equity Index (Loc)				*30.69%*	*17.49%*
GLG Global Utilities Fund(1)	$ 0.37bn	$ 0.09bn	1-Dec-05	32.80%	19.69%
S&P 500 Index				*26.35%*	*15.98%*
GLG Esprit Fund(1)(2)	$ 0.18bn	$ 0.09bn	1-Sep-06	12.76%	15.68%
GLG European Opportunity Fund(1)	$ 0.29bn	$ 0.13bn	2-Jan-02	68.51%	9.97%
MSCI Europe Index (Loc)				*30.06%*	*4.90%*
GLG North American Opportunity Fund(1)	$ 1.12bn	$ 0.84bn	2-Jan-02	86.04%	11.97%
S&P 500 Index				*30.94%*	*5.03%*
GLG Japanese Long-Short Fund(1)	$ 0.04bn	$ 0.02bn	1-Nov-04	2.32%	0.87%
Topix Index (JPY)				*63.52%*	*20.33%*
GLG Global Convertible Fund(3)	$ 0.53bn	$ 0.53bn	1-Aug-97	186.25%	11.19%
Merrill Lynch Global 300 Convertible Index (Loc)				*84.25%*	*6.36%*
MSCI World Equity Index (Loc)				*54.11%*	*4.46%*
JP Morgan Government Bond Index (Loc)				*55.87%*	*4.58%*
GLG Market Neutral Fund(1)	$ 2.43bn	$ 2.17bn	15-Jan-98	509.43%	21.06%
MSCI World Equity Index (Loc)				*60.99%*	*5.16%*
Investment in USD 3 Month Libor Rate				44.59%	*3.98%*
GLG Credit Fund(1)	$ 0.50bn	$ 0.30bn	2-Sep-02	101.41%	15.59%
Investment in USD 3 Month Libor Rate				*15.75%*	*3.07%*
GLG Absolute Return Bond Fund(1)	$ 0.10bn	$ 0.10bn	1-Apr-06	7.79%	6.22%
Investment in USD 3 Month Libor Rate				*6.84%*	*5.46%*
GLG Event Driven Fund(1)(2)	$ 0.30bn	$ 0.21bn	2-May-06	4.29%	3.67%
GLG Global Futures Fund(1)(2)	$ 0.08bn	$ 0.00bn	1-Aug-04	14.41%	4.74%
GLG Emerging Markets Fund(1)(2)	$ 2.55bn	$ 2.33bn	1-Nov-05	141.04%	70.03%

GLG Emerging Markets Special Situations Fund(1)(2)	$	0.62bn	$	0.59bn	2-Apr-07	19.93%	107.29%
Long Only Strategies							
GLG Performance Fund(3)	$	0.36bn	$	0.36bn	14-Jan-97	264.38%	13.16%
MSCI World Equity Index (Loc)						*87.91%*	*6.22%*
GLG Performance (Distributing) Fund(2)(3)	$	0.02bn	$	0.02bn	6-Apr-99	131.45%	10.73%
GLG European Equity Fund(3)	$	1.18bn	$	1.18bn	11-Feb-99	171.55%	12.66%
MSCI Europe Index (Loc)						*36.24%*	*3.76%*
GLG North American Equity Fund(3)	$	0.19bn	$	0.19bn	2-Jan-04	52.67%	12.89%
S&P 500 Index						*35.20%*	*9.03%*
GLG UK Select Equity Fund(3)	$	0.02bn	$	0.00bn	1-Dec-06	13.21%	23.94%
FTSE 100 Index (GBP)						*9.24%*	*16.52%*
GLG UK Select Equity (Distributing) Fund(2)(3)	$	0.02bn	$	0.00bn	2-Apr-07	5.43%	23.63%
GLG Environment Fund(3)	$	0.03bn	$	0.00bn	2-Jan-07	9.01%	18.89%
MSCI Europe Index (Loc)						*7.82%*	*16.30%*

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	Gross AUM	Net AUM	Inception Date	Net Performance Since Inception*	Annualized Net Return*
GLG Alpha Capture Fund(2)(3)	$ 0.01bn	$ 0.00bn	1-Mar-07	8.45%	21.98%
GLG Capital Appreciation Fund(3)	$ 0.62bn	$ 0.62bn	4-Mar-97	243.14%	12.68%
Benchmark(4)				*78.94%*	*5.80%*
GLG Capital Appreciation (Distributing) Fund(2)(3)	$ 0.43bn	$ 0.43bn	1-Apr-99	116.02%	9.78%
GLG Balanced Fund(3)	$ 0.10bn	$ 0.10bn	4-Mar-97	138.14%	8.77%
Benchmark(5)				*69.30%*	*5.23%*
GLG Global Convertible UCITS Fund(3)	$ 1.44bn	$ 1.44bn	12-Mar-99	110.32%	9.37%
Merrill Lynch Global 300 Convertible Index (Loc)				*65.23%*	*6.23%*
MSCI World Equity Index (Loc)				25.67%	2.79%
JP Morgan Government Bond Index (Loc)				*36.06%*	*3.78%*
GLG Global Convertible UCITS (Distributing) Fund(2)(3)	$ 0.02bn	$ 0.00bn	14-Oct-05	18.99%	10.72%
Internal FoHF					
GLG Global Opportunity Fund(3)	$ 0.49bn	$ 0.49bn	4-Feb-97	429.74%	17.38%
MSCI World Equity Index (Loc)				*83.58%*	*6.01%*
GLG Multi-Strategy Fund(1)	$ 1.11bn	$ 1.11bn	7-Jan-03	59.38%	10.97%
MSCI World Equity Index (Loc)				*85.73%*	*14.83%*
GLG Global Aggressive Fund(1)	$ 0.02bn	$ 0.02bn	4-Jan-00	128.66%	11.66%
MSCI World Equity Index (Loc)				*9.05%*	*1.16%*
Prime GLG Diversified Fund(2)(3)	$ 0.00bn	$ 0.00bn	1-Jun-04	28.54%	8.50%
External FoHF					
Prescient Alpha Fund(1)	$ 0.23bn	$ 0.23bn	1-Oct-01	45.37%	6.73%
MSCI World Equity Index (Loc)				*52.69%*	*7.64%*
GLG MMI Enhanced Fund(1)	$ 0.26bn	$ 0.26bn	1-Dec-03	68.43%	15.69%
MSCI World Equity Index (Loc)				*57.97%*	*13.63%*
GLG MMI Japanese Opportunity Fund(1)(2)	$ 0.05bn	$ 0.05bn	1-Jun-05	20.68%	9.47%
GLG MMI Directional Fund(1)(2)	$ 0.04bn	$ 0.02bn	1-Jul-06	11.44%	11.51%
GLG MMI Enhanced II Fund(1)(2)	$ 0.02bn	$ 0.02bn	1-Dec-06	14.28%	26.11%

(1) GLG Partners (Cayman) Limited is the manager of these GLG Funds.

(2) No comparable index.

(3) GLG Partners Asset Management Limited is the manager of these GLG Funds.

(4) Benchmark for GLG Capital Appreciation Fund is 65% MSCI World Index (Loc); 35% JPMorgan Gov t Bond Index (Loc).

(5) Benchmark for GLG Balanced Fund is 1/3 MSCI World Index (Loc), 1/3 JPMorgan Gov t Bond Index (Loc), 1/3 US $ 3-month LIBOR rate.

The investment manager for all funds is GLG Partners LP. None of the GLG Funds is registered in the United States. However, each GLG Fund is regulated in its jurisdiction of incorporation, except for the GLG MMI Japanese Opportunity Fund. See Information About GLG Competitive Strengths Alignment of Interests for a discussion of investments by the GLG Principals and certain key personnel in the GLG Funds.

GLG s gross management fee rates and administration fee rates are set as a percentage of fund AUM depending on the product. GLG s gross performance fee rates are set as a percentage of fund performance, calculated as investment gains (both realized and unrealized), less management and administration fees, subject to high water marks and, in the case of most long-only funds, four external FoHF and two single-manager alternative strategy funds, to performance hurdles. The table below sets forth the typical range of

gross fee rates for management fees and performance fees (subject to fee treatment of fund-in-fund reinvestments as described below); administration fee notes vary depending on the product:

Product	Typical Range of Gross Management Fee Rates (% of AUM)	Typical Range of Gross Performance Fee Rates (% of AUM)
Single-manager alternative strategy funds	1.50% 2.50%*	20% 30%*
Long-only funds	0.75% 2.25%	20% 25%
Internal FoHF	0.25% 1.50% (at the investing fund level)*	0% 20% (at the investing fund level)*
External FoHF	1.50% 1.95%	5% 10%

Note: Where a single-manager alternative strategy fund or internal FoHF managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, the investing fund is the top-level GLG Fund into which a client invests and the investee fund is the underlying GLG Fund into which the investing fund allocates funds for investment. When one of the single-manager alternative strategy funds or internal FoHFs managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG:

management fees are charged at the investee fund level. In addition, management fees are charged on the following GLG Funds at the investing fund level: (1) GLG Multi Strategy Fund; and (2) Prime GLG Diversified Fund;

performance fees are charged at the investee fund level. In addition, performance fees are charged on the following GLG Funds at the investing fund level: (1) Prime GLG Diversified Fund; and (2) GLG Global Aggressive Fund to the extent that the performance fee at the investing fund level exceeds the performance fee at the investee fund level; and

administration fees are charged at both the investing and investee fund levels.

Certain GLG Funds employ leverage to enable them to invest additional amounts over and above their share capital and thereby enhance equity returns. Leverage will vary with the exact composition of the fund portfolio. Leverage is provided by prime brokers and counterparties. Additionally, funds may be leveraged through the use of products such as options, futures and other derivatives.

Each of the GLG Funds is structured as a limited liability company, incorporated in the Cayman Islands, Ireland or Luxembourg. In general, the Cayman Islands are preferred for alternative strategy funds of non-U.S. investors, given the flexibility available to alternative strategy funds in this jurisdiction. A limited number of GLG s alternative strategy funds are also domiciled in Ireland. GLG s long-only funds are incorporated in Ireland and utilize investment strategies which comply with the regulations in Ireland and qualify for UCITS status. These long-only funds also have the ability to use a limited degree of leverage and to use derivative instruments, including synthetic short exposure, in accordance with UCITS III. One of GLG s internal FoHF funds is domiciled in Luxembourg. Each GLG Fund has a board of directors and each board consists of a majority of independent directors. The prospectus for each fund sets out the terms and conditions upon which shareholders invest in the fund. None of the GLG Funds are subject to key man provisions. Thirty-four funds are listed on the Irish Stock Exchange, one fund is listed on the Luxembourg Stock Exchange, one fund is listed on the Cayman Islands Stock Exchange and four funds are unlisted.

Each GLG Fund has appointed a GLG entity as its manager to provide investment management, administration and distribution services to the fund pursuant to a management agreement. The provision of these services is delegated to

other GLG entities and third parties. In particular, investment management is delegated to GLG Partners LP pursuant to an investment management agreement. Because each GLG Fund is structured as a limited liability company whose owners are the investors in the fund, the manager and investment manager generally do not have an ownership interest in the fund and their sole relationship with the fund is contractual. Fund administration, custody and prime brokerage services are delegated to third-party providers pursuant to separate agreements.

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The material terms of these agreements relate to the scope of services to be rendered to the fund, liabilities, remuneration and rights of termination under certain circumstances. Under each management agreement, a manager is appointed to, among other things, manage the assets of the relevant GLG Fund, administer the assets of the relevant GLG Fund and distribute the assets of the relevant GLG Fund. The manager delegates each of these functions to third parties. In particular the manager delegates the investment management functions to GLG Partners LP. Under each investment management agreement, the investment manager is responsible for identifying, purchasing, managing and disposing of investments on behalf of the relevant fund in accordance with its statement of investment policy. Each management agreement and investment management agreement is terminable on 30 days written notice by either party and provides that in the absence of negligence, willful default, fraud or bad faith, the manager and its agents will not be liable for any loss or damage arising out of the performance of their obligations under the agreement.

GLG does not hold any investments in the GLG Funds, other than a de minimis amount of subscriber and management shares. The subscriber and management shares are for a fixed notional amount and do not have an entitlement to participate in movements in net asset value, nor do they generate any income for GLG. As a result, GLG does not receive any income by reason of investment on its own account in the GLG Funds.

Neither the Principals nor their affiliates plan to have any investment management operations or businesses that are separate from GLG. All of the assets managed by GLG are owned by GLG s clients and are therefore separate from GLG. GLG does have discretion over the management of these assets.

Clients and Marketing

GLG has a team of 13 marketing professionals which is split into geographical regions. GLG s marketing effort has historically been geographically focused, with Europe accounting for the majority of marketing activity, and is built on a number of complementary and diverse distribution channels:

Marketing to high and ultra-high net worth individuals and families through a combination of existing client referrals, marketer-led relationships and banks; and

Marketing to institutional investors, including funds of funds, alternative asset management divisions of banks, pension funds, insurance companies and investment platforms, through a combination of the capital introduction groups of leading prime brokers, financial intermediaries, marketer-led relationships and banks.

In addition to the standard tasks of reporting performance and alerting clients to new fund and product launches, GLG s marketing personnel offer broader investment advice, including assistance with overall portfolio planning, which, in some cases, may include non-GLG investment products. Although GLG has historically focused on Europe, it is committing resources to expanding into under-penetrated markets like the United States, the Middle East and Asia.

GLG also has a 29 member dedicated client service and marketing support team that facilitates investment transactions and provides analysis and reporting to clients.

Product Development

GLG has developed approximately 40 new investment products over the last ten years, including a number of innovative offerings in the alternative investment management industry, such as the GLG Espirit, GLG Environment and GLG Emerging Market Special Situations funds. Consistent innovation and product development has stemmed from GLG s close relationship to its client base, the investment team s skill and

market knowledge and also GLG s responsiveness to client and market demands. The following chart shows the historical development of current GLG Funds:

GLG is focused on further developing its multi-strategy approach and diversified product offerings. GLG has continued to emphasize the importance of innovation and responsiveness to client and market demands. GLG believes that the close and long-term relationships that it enjoys with its clients are a key source of market research helping to drive development of successful products. Since 2005, the process of product development has been more fully formalized and is now coordinated through the non-investment manager Co-Chief Executive Officer.

Idea Generation: Product development is driven by discussions with clients, internal research, internal analysis of market trends and competitor offerings. Product development is sometimes initiated through sector-focused research from investment analysts.

Feasibility Testing: New products are initially vetted for feasibility to confirm GLG s ability to support the new fund or strategy operationally and to highlight mitigating risks and other factors affecting feasibility. Initial due diligence is followed by relevant feasibility checks based on extensive investment experience from investment professionals and client managers.

Product Setup: Once a new product has undergone review and feasibility testing, the product development team arranges appropriate prime brokerage and counterparty relationships, and coordinates with legal counsel to set up the legal structures of any new funds or products and to develop fund or product prospectuses in conjunction with the marketing team.

Client Management: Both investment managers and marketing professionals who serve as client relationship managers meet with existing and potential investors about each relevant new product.

Operational Processes and Infrastructure

Investment Management Process

GLG has a systematic investment approach which combines bottom up analysis with macroeconomic analysis and technical trading, resulting in an emphasis on both the qualitative and quantitative assessment of investment opportunities. GLG looks at all instruments across the capital structure, from equity to subordinated loans. With extensive coordination between analysts and traders, investment ideas are scrutinized and validated at multiple stages. GLG s organizational structure facilitates the sharing of ideas between equity, credit and emerging markets specialists. Similarly, industry teams work across regions to develop global views and relative values strategies between investments located in different geographical areas.

Analysts. GLG s sector and general analysts utilize their industry expertise to generate and analyze ideas for long and short investments by meeting with corporate management and performing original analytical work. GLG s strong relationships in the brokerage community provide analysts with significant access to third-party and industry expertise.

Traders. GLG s traders confirm the short-term validity of fundamental analysis and optimize the best entry and exit points for trading ideas. GLG s strong relationships in the brokerage community provide traders with best execution and liquidity across asset classes.

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Investment Managers. GLG s investment managers integrate recommendations from analysts and traders, taking into account the macroeconomic environment, portfolio construction and relevant strategies. They also manage risk and ensure that capital is adequately used.

Throughout this process, GLG utilizes an extensive risk management process, as described in the following paragraphs.

Portfolio Risk Management

Effective risk management is central to the operation of GLG s business. GLG uses both quantitative and qualitative assessments in an effort to offer high annual returns combined with a low level of return volatility. Risk management helps manage volatility and avoid positions that could lead to excessive losses.

Positions in the GLG Funds are actively managed, allowing for timely reallocation in response to changes in economic, business or market conditions. Investment professionals are typically authorized to trade fixed amounts of capital subject to various constraints and limitations including but not limited to value-at-risk, trading losses and position concentrations.

GLG s Risk Committee, which includes the non-investment manager Co-Chief Executive Officer, oversees the risk management function for the GLG Funds and managed accounts. The Risk Committee is responsible for setting and ensuring adherence to risk limits, directing the development of risk management infrastructure, identifying risks to the GLG Funds and managed accounts, allocating capital, and developing fund-level hedging strategies. The Risk Committee has four members with substantial investment and risk management experience.

Risk management personnel provide daily risk reporting across the GLG Funds and managed accounts, develop risk management infrastructure, and monitor the risk and performance of individual investment professionals within the business. GLG uses both third-party commercial risk management software and proprietary systems to analyze and monitor risk in the GLG Funds and managed accounts. Daily risk reports measure exposures, expected volatility, value at risk (typically using a 98% confidence level, over a one day horizon), and liquidity. These reports also include stress tests based on historical and hypothetical scenarios, measures of aggregate exposures and sensitivities, and measures of credit risk and attributes of risk by region, country, asset class and investment professional. Additional reports analyze individual liquidity exposures and idiosyncratic or specific risks relevant to individual positions or groups of trades. Customized risk reports are also prepared and distributed to both the Risk Committee and individual investment managers.

General Operational and Legal Risk Management

GLG believes that it has adopted an approach to minimizing operational risk that is robust and systematic. This approach to operational excellence is a high-level differentiator that enables GLG to continue serving the most demanding private and institutional clients.

GLG has separate finance, operations, middle office, risk management, technology, human resources and client support functions run by seasoned industry professionals who report directly to GLG s Chief Operating Officer. The business has separate legal and compliance and internal audit functions.

The Systems and Controls Committee, which includes the non-investment manager Co-Chief Executive Officer, the Chief Operating Officer, the Senior Legal Counsel and the Compliance Officer, meets monthly to consider operational management of the business, with focus on controls, legal and regulatory matters and any other related issues.

Systems

GLG has developed a strong information technology department of 47 experienced staff in addition to outside contractors. The department is split into infrastructure, support and development groups. GLG believes the strength of its specialized in-house development group, including a dedicated quantitative development team, is a significant competitive advantage. GLG operates a number of key proprietary and external systems.

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GLG has focused on maintaining the scalability of its systems platform and has an ongoing review process to ensure the systems can support planned growth in both assets and trading volume. Security and resiliency have been the highest priorities in the network design. GLG operates data centers both at its main offices and at off-site locations. GLG has appointed a managed service provider that provides 24 hour/7 day support through a dedicated link from its network operations center.

In the event of an emergency affecting GLG s headquarters, or London in general, that results in either access being denied to or the total loss of GLG s headquarters location, GLG will implement its disaster recovery plan to assist in the smooth transition to a temporary workplace to minimize disruption. Under this plan, GLG s incident management, business management and business continuity teams will coordinate with each other to assess the nature of a disaster, implement an immediate plan and work together during the recovery process to mitigate the loss to the business. If GLG s headquarters location will not be available for some time, it has established the use of a disaster recovery site with office space available for key personnel and remote access to critical business information.

Regulation

GLG Partners LP is authorized and regulated in the United Kingdom by the FSA. GLG Partners LP has a relationship management team at the FSA with whom it has a regular dialogue. Other regulators supervising specific GLG entities and funds include the Irish Financial Services Regulatory Authority, CIMA and the Commission de Surveillance du Secteur Financier in Luxembourg. Certain of the funds are also listed on the Irish Stock Exchange, the Luxembourg Stock Exchange or the Cayman Islands Stock Exchange.

Compliance and Internal Audit

GLG has made a significant investment in the infrastructure supporting controls and compliance. GLG management believes that it is important to instill a culture of compliance throughout its organization. The primary functions of GLG s compliance and internal audit team are to advise, educate and support the business. This team also provides assurance to the senior management team through the implementation of a risk-based monitoring program and internal audit plan. The compliance and internal audit functions are performed by a dedicated team of three professionals reporting to the Compliance Officer and through him to the Co-Chief Executive Officers.

Regulatory Framework in the United Kingdom

Authorization by the FSA. The current U.K. regulatory regime is based upon the FSMA, together with secondary legislation and other rules made under the FSMA. Under section 19 of the FSMA, it is an offense for any person to carry on regulated activities in the United Kingdom unless it is an authorized person or otherwise exempt from the need to be authorized. The various regulated activities are set out in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended) (the RAO). They include (among other things): advising on investments, arranging deals in investments, dealing in investments as agent, managing investments (*i.e.*, portfolio management) and the safeguarding and administration of assets (including the arranging of such safeguarding and administration).

Before authorizing a firm to carry on regulated activities, the FSA must be satisfied that it meets (and will continue to meet) a number of threshold conditions set out in the FSMA. For example, firms must have adequate financial resources, not have close links of a nature that would impede the FSA s supervision of the firm and generally satisfy the FSA that they are fit and proper to be authorized.

FSA Handbook. GLG is subject to certain rules set out in the FSA Handbook, which also provides guidance on the application and interpretation of these rules. In particular, GLG must comply with certain conduct of business

standards relating to, among other things, the advertising and marketing of financial products, treating customers fairly, advising on and selling investments, and managing conflicts of interest.

The FSA Handbook also contains rules governing GLG s senior management arrangements, systems and controls. In particular, these require the appointment of one or more members of senior management to take

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responsibility for: (1) the apportionment of significant responsibilities among directors and senior managers so that it is clear who has responsibility for the different areas of the firm s business (allowing for the proper supervision and control of the firm s activities by its governing body and relevant senior managers); and (2) overseeing the establishment and maintenance of systems and controls which are appropriate to the particular business of the firm. The person with responsibility for these functions, together with any other person who performs a controlled function within GLG, is required to be approved by the FSA under its Approved Persons regime. Persons performing a controlled function include directors, the compliance officer, the money laundering reporting officer, persons carrying out significant management functions and portfolio managers and marketers.

The FSA has the power to take a wide range of disciplinary actions against regulated firms and any FSA-approved persons, including public censure, the imposition of fines, the variation, suspension or termination of the firm s authorization or the removal of approved status from individuals.

Principles for businesses. GLG is subject to the FSA s high-level principles which are intended to ensure fairness and integrity in the provision of financial services in the United Kingdom.

In particular, they require a firm to:

- conduct its business with integrity;
- conduct its business with due skill, care and diligence;
- take reasonable care to organize and control its affairs responsibly and effectively, with adequate risk management systems;
- maintain adequate financial resources;
- observe proper standards of market conduct;
- pay due regard to the interests of customers and treat them fairly;
- pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading;
- manage conflicts of interest fairly, both between itself and its customers and between a customer and another client;
- take reasonable care to ensure the suitability of its advice and discretionary decisions for any customer who is entitled to rely upon its judgment;
- arrange adequate protection for clients assets when it is responsible for them; and
- deal with its regulators in an open and co-operative way, and disclose to the FSA in an appropriate manner anything relating to the firm of which the FSA would reasonably expect notice.

Restrictions on changes of control. Firms authorized by the FSA are subject to restrictions regarding persons who may act as a controller of the firm. Broadly, a controller for the purposes of the FSA s rules means a person who alone or with associates holds (directly or indirectly) 10% or more of the shares or voting rights in a regulated firm or its parent company.

Under FSMA, a person who proposes to become a controller of an FSA-authorized firm, or an existing controller who proposes to increase their interest to 20% or more, 33% or more, or 50% or more must first notify and obtain the approval of the FSA, with the FSA having up to three months to approve any such acquisition. The FSA is permitted to serve a notice of objection to the acquisition of or increase in control and, if it does serve such a notice, is required to specify in the notice its reasons for the objections. Breach of the notification and approval requirements is a criminal offense, although there are rights of appeal against any objection by the FSA.

A person who ceases to be a 10% controller or who reduces an existing interest below the 50%, 33% or 20% level must only provide written notice to the FSA. FSA approval is not required for reduction or cessation of control. Breach of the notification requirements is a criminal offense. Certain notification obligations are also imposed on authorized firms in relation to any changes of control they undergo.

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Consumer complaints and compensation. Rules made by the FSA under FSMA have established a compensation scheme, which provides for limited compensation to be paid to certain categories of customers who suffer losses as a consequence of a regulated firm being unable to meet its liabilities.

A financial ombudsman service has also been set up under FSMA. This operates independently of the FSA and allows certain categories of customers to escalate complaints about a firm (for example in relation to mis-selling or the provision of a poor service or product by the firm) to the ombudsman.

Regulatory capital. Regulatory capital requirements form an integral part of the FSA s prudential supervision of FSA authorized firms. The regulatory capital rules oblige firms to hold a certain amount of capital at all times (taking into account the particular risks to which the firm may be exposed given its business activities), thereby helping to ensure that firms can meet their liabilities as they fall due and safeguarding their (and their counterparties) financial stability. The FSA also expects firms to take a pro-active approach to monitoring and managing risks, consistent with its high level requirement for firms to have adequate financial resources.

Regulatory capital requirements exist on two levels. The first is a solo requirement aimed at individual authorized entities (with the relevant firm being required to submit periodic reports to demonstrate compliance with the relevant requirement). The second is a consolidated (or group) requirement and relates to a part of or the entire group of which an authorized firm or firms form part. The FSA s rules in relation to capital requirements were recently updated to implement the recast EU Capital Requirements Directive (CRD), which came into force in the United Kingdom in January 2007 (subject to extensive transitional provisions). The CRD, which amends two existing capital requirements Directives (The Banking Consolidation Directive and the Capital Adequacy Directive), introduces a more risk-based approach to capital adequacy (with a particular emphasis on operational risk). Management expects GLG to be compliant with the requirements of the CRD by the required deadline and does not believe that compliance with the CRD will have a significant impact on GLG.

Money laundering. The U.K. Money Laundering Regulations 2003 require, broadly speaking, any person who carries on financial services business in the United Kingdom to observe certain administrative procedures and checks designed to minimize the scope for money laundering. Failure to maintain the necessary procedures is a criminal offense. The Proceeds of Crime Act 2002 also contains a number of offenses in relation to money laundering.

Regulatory Framework in the European Union

GLG has obtained the appropriate European investment services passport rights to provide cross-border services into a number of other members of the European Economic Area, which we refer to as the EEA. This passport derives from the pan-European regime established by the EU Investment Services Directive (ISD) which regulates the provision of investment services throughout the EEA.

The ISD provides investment firms which are authorized in any one EEA member state the right to provide investment services on a cross-border basis, or through the establishment of a branch to clients located in other EEA member states (known as host member states) on the basis of their home member state authorization without the need for separate authorization by the competent authorities in the relevant host member state. This is known as passporting .

The ISD is due to be replaced by a new directive, the EU Markets in Financial Instruments Directive (MiFID), which is required to be implemented across the EEA on November 1, 2007. MiFID will make substantial and important changes to the way in which investment business is conducted across the EEA. These include, among others, an extension to the scope of the passport but also clarification that the conduct of business rules of a host member state are not to apply to a firm providing services within its territory on a cross-border basis (host member state conduct of

business rules will apply to branches). The FSA has recently completed the process of consulting on how it will implement MiFID in the United Kingdom, which will have a reasonably significant impact on the operation of the financial services industry. Management expects GLG

to be compliant with the requirements of MiFID by the required deadline and does not believe that compliance with MiFID will have a significant impact on GLG.

Regulatory Framework in Ireland

GLG Partners Asset Management Limited (GPAM) has been authorized by the IFSRA as a management company under the UCITS regulations. As a manager authorized by the IFSRA, GPAM is subject to the supervision of the IFSRA. These supervisory requirements include:

GPAM must maintain a minimum capital requirement as prescribed by the IFSRA;

GPAM may not be replaced as manager of a fund without the approval of the IFSRA;

Appointments of directors to GPAM require the prior approval of the IFSRA and the IFSRA must be notified immediately of resignations;

A minimum of two directors of GPAM must be Irish residents;

Approval of the IFSRA is required for any change in ownership or in significant shareholdings of GPAM. A significant shareholding is defined as a shareholding of 10%;

Half-yearly financial and annual audited accounts of GPAM must be filed with the IFSRA. Annual audited accounts of the corporate shareholder(s) of GPAM must also be submitted;

The firm is obliged to satisfy the IFSRA on a continuing basis that it has sufficient management resources to effectively conduct its business; and

GPAM is required to consult with the IFSRA prior to engaging in significant new activities.

GLG Partners LP has been approved by the IFSRA to act as promoter and investment manager of Irish authorized collective investment schemes pursuant to the UCITS Notices and the Non-UCITS Notices issued by the IFSRA.

The IFSRA will require that any change in ownership or in significant shareholdings of GLG Partners LP be approved by it. As above, a significant shareholding is defined as a shareholding of 10%.

GPAM and GLG Partners LP currently act as manager, and promoter and investment manager, respectively of the following GLG Funds: GLG Investments plc, GLG Investments III plc, GLG Investments IV plc and GLG Investments V plc (each, a UCITS fund), GLG Global Convertible Fund plc (a professional investor fund) and GLG Global Opportunity Fund plc (a qualified investor fund).

These GLG Funds are subject to the investment restrictions imposed by the IFSRA in respect of UCITS or non-UCITS funds as appropriate and as set out in the prospectus for the relevant fund. GPAM and GLG Partners LP are required to observe the terms of the prospectus in carrying out their duties.

The failure by the IFSRA to approve a change in control of GPAM and/or GLG Partners LP could result in the authorization of the above GLG Funds being withdrawn if it is not possible to appoint alternative promoters, managers and investment managers.

In addition to the GLG Funds which are listed on the Irish Stock Exchange, a large number of Cayman domiciled GLG Funds are also listed on the Irish Stock Exchange. A failure to comply with the Listing Rules for Investment Funds as set down by the Irish Stock Exchange may result in delisting from the Irish Stock Exchange.

Regulatory Framework in Luxembourg

GLG Partners LP is the promoter, investment manager and principal sales agent of the GLG Multi-Strategy Fund SICAV and is subject to supervision by the Commission de Surveillance du Secteur Financier, along with the GLG Multi-Strategy Fund SICAV which is domiciled in Luxembourg and listed on the Luxembourg Stock Exchange.

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Regulatory Framework in the Cayman Islands

CIMA regulates GPCL in connection with its provision of mutual fund administration services to the GLG Funds incorporated in the Cayman Islands. GPCL is the holder of an unrestricted mutual fund administrator s license issued by CIMA pursuant to the Mutual Funds Law (as amended) of the Cayman Islands (the Mutual Funds Law).

Each of GPCL, GLG Partners International (Cayman) Limited and GLG Partners Services LP is registered with CIMA as an excluded person pursuant to the Securities Investment Business Law (as amended) of the Cayman Islands (the SIB Law) in connection with their respective provision of services constituting securities investment business to various GLG Funds. None of these entities is regulated by CIMA in connection with its provision of services constituting securities investment business .

All of the GLG Funds which are incorporated in the Cayman Islands are registered as mutual funds with, and are regulated by, CIMA in terms of the Mutual Funds Law. Most of the Cayman Islands domiciled funds are listed on the Irish Stock Exchange, one is listed on the Cayman Islands Stock Exchange and four are unlisted. None of these GLG Funds is required to be licensed or employ a licensed mutual fund administrator (although GPCL is so licensed) since the minimum aggregate investment purchasable by a prospective investor in each of such GLG Funds is equal to or exceeds either (a) in relation to those GLG Funds which were registered with CIMA prior to November 2006, $50,000 or (b) in relation to those GLG Funds which have been registered with CIMA since November 2006, $100,000 or its equivalent in any other currency. As regulated mutual funds, the GLG Funds which are incorporated in the Cayman Islands are subject to supervision by CIMA. Such funds must file their offering documents and details of any changes that materially affect any information in such documents with CIMA. They must also file annually with CIMA accounts approved by an approved auditor, together with a return containing particulars specified by CIMA, within six months of their financial year end or within such extension of that period as CIMA may allow.

The Mutual Funds Law provides that a licensed mutual fund administrator such as GPCL may not issue shares and that a person owning or having an interest in shares or the transfer of shares in such licensed mutual fund administrator may not transfer or otherwise dispose of or deal in those shares or that interest, unless CIMA has given its approval to the issue, transfer, disposal or dealing, as the case may be, and any conditions of the approval are complied with. This restriction applies to all levels of ownership in a licensed mutual fund administrator, including the ultimate parent, and therefore, unless the waiver described below is obtained and maintained, may have a potential impact on the trading of shares in Freedom after completion of the acquisition.

The Mutual Funds Law provides that CIMA may, in respect of a licensed mutual fund administrator or its ultimate parent whose shares are publicly traded on a stock exchange recognized by CIMA (including both the American Stock Exchange and the New York Stock Exchange), waive the obligation to obtain such approval, subject to certain conditions. Freedom intends to apply for and obtain such waiver from CIMA in relation to trading by GPCL at the same time as it applies for CIMA s approval of the acquisition. Any such waiver will be subject to a condition that GPCL, as a licensed mutual fund administrator, will, as soon as reasonably practicable, notify CIMA of:

- any change in control of GPCL;
- the acquisition by any person or group of persons of shares representing more than 10% of the issued share capital or total voting rights of GPCL; or
- the acquisition by any person or group of persons of shares representing more than 10% of the issued share capital or total voting rights of Freedom, as the ultimate parent of GPCL.

In addition, any waiver will be subject to a condition that GPCL will, as soon as reasonably practicable, provide such information to CIMA, and within such period of time, as CIMA may require for the purpose of enabling an assessment as to whether persons acquiring direct or indirect control or ownership of GPCL in the circumstances set out above are fit and proper persons to have such control or ownership. The waiver may also be granted subject to such terms and other conditions as CIMA may deem necessary.

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Other

Pursuant to the exemption from registration as an investment adviser provided in Section 203(b)(3) of the Investment Advisers Act of 1940 and Rule 203(b)(3)-1 promulgated thereunder, neither GLG Partners LP nor GLG Inc. is registered as an investment adviser under the Investment Advisers Act. However, in connection with the proposed acquisition of GLG Inc. by GLG Partners LP, GLG Inc. and GLG Partners LP (to the extent required by applicable law) will register as investment advisers under the Investment Advisers Act.

In addition, GLG is subject to securities and exchange regulations in the jurisdictions in which it trades securities.

Competition

The asset management industry is intensely competitive, and GLG expects it to remain so. GLG competes on a regional, industry and niche basis. GLG faces competition in the pursuit of investors for its funds and managed accounts primarily from specialized investment funds, hedge funds and financial institutions. Many of these competitors are substantially larger and may have considerably greater financial, technical and marketing resources than will be available to GLG and the number of competitors in GLG s market has increased dramatically since 2000.

GLG also competes with specialized investment funds, hedge funds, financial institutions, corporate buyers and others in acquiring positions in attractive investment opportunities for the GLG Funds and managed accounts. Several of these competitors have recently raised, or are expected to raise, significant amounts of capital and many of them have similar investment objectives to the GLG Funds and managed accounts, which may create additional competition for investment opportunities. Some of these competitors may also have a lower cost of capital and access to funding sources that are not available to GLG, which may create competitive disadvantages for GLG with respect to investment opportunities. In addition, some of these competitors may have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider variety of investments and to bid more aggressively than GLG for investments that GLG wants to make for the GLG Funds and managed accounts. Lastly, the allocation of increasing amounts of capital to alternative investment strategies by institutional and individual investors could lead to a reduction in the size and duration of pricing inefficiencies that many of GLG s investment funds seek to exploit.

Competition is also intense for the attraction and retention of qualified personnel. GLG s ability to compete effectively in its business will depend upon its ability to attract new personnel and retain and motivate GLG s existing personnel.

Personnel

GLG s personnel consist of 327 individuals as of July 31, 2007 including 27 individuals at GLG Inc. in New York. GLG s institutionalized team-based investment process is driven by 119 investment professionals, including employees of GLG Inc. A key feature of GLG s organizational structure is that approximately one-third of personnel are directly involved in the process of investment management and revenue generation. By optimizing its administrative functions, GLG maintains an efficient back-and middle-office operation and, as a result, a reduced cost base.

Properties

GLG s principal executive offices are located in approximately 20,800 square feet of leased office space at One Curzon Street, London, England. GLG also leases the space for its offices in Berkeley Street, London, England (approximately 4,900 square feet) and George Town, Grand Cayman, Cayman Islands (approximately 1,185 square feet). GLG does not own any real property. GLG considers these facilities to be suitable and adequate for the management and operation of its business, although it is in discussions to acquire additional space in London,

England. In addition, GLG Inc. leases approximately 10,000 square feet of office space in New York, New York.

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Legal and Regulatory Proceedings

Alcatel

On November 23, 2006, the AMF imposed a fine of 1.2 million ($1.6 million) against GLG in connection with GLG s trading in the shares of Alcatel based on confidential information prior to a December 12, 2002 issuance of Alcatel convertible securities. GLG has appealed this decision.

Vivendi

On June 21, 2007, the AMF imposed a fine of 1.5 million ($2.0 million) against GLG in connection with GLG s trading in the shares of Vivendi based on confidential information prior to a November 14, 2002 issuance of Vivendi convertible securities. GLG has appealed this decision.

Other

On May 29, 2007, GLG agreed to pay a civil penalty of $500,000 and disgorgement and interest of approximately $2.7 million to settle enforcement and civil actions brought by the SEC for illegal short selling. GLG did not admit or deny the findings, but consented to the SEC order finding that GLG violated Rule 105 of Regulation M under the Exchange Act in connection with 14 public offerings and a final judgement in the civil action in the United States District Court for the District of Columbia.

GLG is subject to various other claims and assessments and regulatory inquiries and investigations in the normal course of its business. While it is not possible at this time to predict the outcome of the legal and regulatory proceedings discussed above with certainty and while some investigations, lawsuits, claims or proceedings may be disposed of unfavorably to GLG, based on its evaluation of matters which are pending or asserted GLG s management believes the disposition of such matters will not have a material adverse effect on GLG s business, financial condition or results of operations. An unfavorable ruling could include money damages or injunctive relief.

INFORMATION ABOUT FREEDOM

General

We are a Delaware blank check company formed on June 8, 2006 to complete a business combination with one or more operating businesses. Our efforts in identifying a prospective target business are not limited to a particular industry.

A registration statement for our initial public offering was declared effective on December 21, 2006. On December 28, 2006, we sold 48,000,000 units in our initial public offering, and on January 24, 2007 the underwriters for our initial public offering purchased an additional 4,800,000 units pursuant to an over-allotment option. Each unit consists of one share of common stock and one warrant. Each warrant entitles the holder to purchase one share of our common stock at a price of $7.50 commencing on the later of our consummation of a business combination or December 28, 2007, provided in each case that there is an effective registration statement covering the shares of common stock underlying the warrants in effect. The warrants expire on December 28, 2011, unless earlier redeemed. Our sponsors, Berggruen Holdings and Marlin Equities, purchased in equal amounts an aggregate of 4,500,000 warrants at a price of $1.00 per warrant ($4.5 million in the aggregate) in a private placement that occurred immediately prior to our initial public offering. In addition, in connection with our initial public offering, Berggruen Holdings and Marlin Equities agreed to purchase in equal amounts an aggregate of 5,000,000 units at a price of $10.00 per unit ($50.0 million in the aggregate) in a private placement that will occur immediately prior to our consummation of any business combination, including the acquisition.

We received net proceeds of approximately $512.6 million from our initial public offering (including proceeds from the exercise by the underwriters of their over-allotment option) and sale of the sponsors warrants. Of those net proceeds, approximately $18.0 million is attributable to the portion of the underwriters discount which has been deferred until our consummation of a business combination. The net proceeds were deposited into a trust account and will be part of the funds distributed to our public stockholders in the event we are unable to complete a business combination. Unless and until a business combination is consummated, the proceeds held in the trust account will not be available to us.

Employees

We currently have only two officers, our Chief Executive Officer, Nicolas Berggruen, who is also a director, and our Secretary, Jared Bluestein. Neither Mr. Berggruen nor Mr. Bluestein is or will be obligated to devote any specific number of hours to our business, and they intend to devote only as much time as they deem necessary to our business. We do not intend to have any full-time employees prior to the consummation of a business combination.

Properties

We currently maintain our executive offices at 1114 Avenue of the Americas, 41st Floor, New York, New York 10036. The cost for this space is included in the $10,000 per-month fee that Berggruen Holdings, Inc. charges us for office space, administrative services and secretarial support. Prior to the consummation of our initial public offering, Berggruen Holdings, Inc. provided us with office space, administrative services and secretarial support at no charge. We believe, based on rents and fees for similar services in the New York City metropolitan area, that the fee charged by Berggruen Holdings, Inc. is at least as favorable as we could have obtained from an unaffiliated person. We consider our current office space adequate for our current operations.

Legal Proceedings

To the knowledge of management, there is no litigation currently pending or contemplated against us or any of our directors or officers in their capacity as such.

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SELECTED HISTORICAL FINANCIAL INFORMATION OF FREEDOM

The summary historical financial information of Freedom as of December 31, 2006 and June 30, 2007 was derived from financial statements of Freedom as of December 31, 2006 audited by Rothstein, Kass & Company P.C., independent registered public accounting firm, and unaudited financial statements of Freedom as of June 30, 2007, respectively, included in this proxy statement. This information should be read in conjunction with Freedom Management s Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and the notes thereto included in this proxy statement. Since Freedom has not had any significant operations to date, only balance sheet data is presented.

Balance Sheet Data:	**As of December 31, 2006**	**As of June 30, 2007**
Working capital (deficiency)	$ (122,294)	$ (3,436,415)
Total assets	467,306,751	526,075,556
Total liabilities	110,289,016	128,681,005
Common stock, subject to possible redemption for cash	93,247,353	102,572,088
Stockholders equity	357,017,735	397,394,551

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FREEDOM MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We were formed on June 8, 2006, to effect a merger, stock exchange, asset acquisition, reorganization or similar business combination with an operating business or businesses which we believe have significant growth potential. We consummated our initial public offering on December 28, 2006.

We have neither engaged in any operations nor generated any revenues from operations to date. Our entire activity since inception has been to prepare for and consummate our initial public offering and to identify and investigate targets for a business combination. We will not generate any operating revenues until consummation of a business combination. We will generate non-operating income in the form of interest income on cash and cash equivalents.

Net income for the period from June 8, 2006 (inception) to June 30, 2007 was $7.0 million, which consisted of $13.1 million in interest income partially offset by $0.5 million in formation and operating expenses and $5.6 million in income taxes. Net income for the six months ended June 30, 2007 was $6.9 million, which consisted of $12.8 million in interest income partially offset by $0.4 million in formation and operating expenses and $5.5 million in income taxes. The trustee of the trust account will pay any taxes resulting from interest accrued on the funds held in the trust account out of the funds held in the trust account.

Business Combination with GLG Partners

On June 22, 2007, we entered into a purchase agreement pursuant to which, through three wholly-owned subsidiaries, we have agreed to acquire, directly or indirectly, GLG Partners Limited, GLG Holdings Limited, Mount Granite Limited, Albacrest Corporation, Liberty Peak Limited, GLG Partners Services Limited, Mount Garnet Limited, Betapoint Corporation, Knox Pines Limited, GLG Partners (Cayman) Limited and GLG Partners Asset Management Limited. The acquisition will be accounted for as a reverse acquisition, with GLG as the acquiring party and Freedom as the acquired party. The combined company will be renamed GLG Partners, Inc.

At the closing and subject to certain adjustments as described below, we will pay the equity holders of the Acquired Companies, for all of outstanding equity interests of the Acquired Companies, the aggregate purchase price consisting of:

- $1.0 billion, to be allocated between cash and loan notes if certain equity holders elect to receive such notes in lieu of all or a portion of the cash consideration to such person;
- 230,000,000 shares of our common stock and common stock equivalents, which include:
  - 138,095,007 shares of our common stock, including 10,000,000 shares of our common stock to be issued for the benefit of GLG employees, key personnel and certain other individuals;
  - 58,904,993 exchangeable Class B ordinary shares of our subsidiary, FA Sub 2 Limited, which are exchangeable for 58,904,993 shares of our common stock; and
  - 33,000,000 ordinary shares of our subsidiary, FA Sub 1 Limited, which are subject to certain put rights to us and call rights by us, payable upon exercise by delivery of 33,000,000 shares of our common stock; and

58,904,993 shares of our Series A voting preferred stock, which carry only voting rights and nominal economic rights.

After the closing, the aggregate purchase price paid to the equity holders of GLG will be subject to a possible adjustment on a dollar-for-dollar basis, to the extent the net cash amount of the GLG Entities as of the closing date is higher or lower than a specified baseline amount on each of the following adjustment dates: (1) 10 business days after the closing, (2) January 31, 2008, and (3) 10 business days after receipt by us of the audited financial statements of GLG for fiscal year 2007.

Off-Balance Sheet Arrangements

We have never entered into any off-balance sheet financing arrangements and have never established any special purpose entities. We have not guaranteed any debt or commitments of other entities or entered into any options on non-financial assets.

Liquidity and Capital Resources

The net proceeds from (1) the sale of 52,800,000 units in our initial public offering (including the underwriters over-allotment option), after deducting approximately $19.9 million to be applied to underwriting discounts, offering expenses and working capital and approximately $18.0 million of deferred underwriting discounts and (2) the sale of 4,500,000 warrants to our sponsors for a purchase price of $4.5 million, was approximately $512.6 million. All of these net proceeds were placed in trust, except for $900,000 that was used for working capital.

Subject to our stockholders approval of the proposals described in this proxy statement, we will use substantially all of the net proceeds of our initial public offering to acquire the Acquired Companies, including structuring, negotiating and consummating the acquisition. If any amounts remain in the trust account following the consummation of the transaction and the payment for any redemption election shares, we may apply the balance of the trust account for general corporate purposes, including for maintenance or expansion of operations of the acquired business or businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination, to fund the purchase of other companies, or for working capital.

At June 30, 2007, we had cash outside of the trust account of $2.9 million, cash held in the trust account of $521.5 million, accrued expenses of $0.8 million, income taxes and accrued franchise taxes of $5.6 million and total liabilities of $128.7 million (which includes $102.6 million of common stock which is subject to possible redemption, $1.7 million of deferred interest thereon and $18.0 million of deferred underwriting discounts). We believe that the funds available to us outside of the trust account will be sufficient to allow us to operate until December 28, 2008, assuming that an initial transaction is not consummated during that time. Of the funds held outside of the trust account, we anticipate using these funds to cover the due diligence and investigation of a target business or businesses; legal, accounting and other expenses associated with structuring, negotiating and documenting an initial business combination; office space, administrative services and secretarial support prior to consummating a business combination.

On April 13, 2007, at our instruction, the trustee transferred $3.7 million of interest earned on the trust account into our operating cash account to fund working capital. We do not believe we will need to raise additional funds in order to meet the expenditures required for operating our business.

If the funds available to us outside of the trust account are insufficient to cover our expenses, we may be required to raise additional capital, the amount, availability and cost of which is currently unascertainable. In this event, we could seek such additional capital through loans or additional investments from our sponsors or our directors, but, except for the $50.0 million co-investment by Berggruen Holdings and Marlin Equities that will occur immediately prior to our consummation of a business combination, none of such sponsors or our directors is under any obligation to advance funds to, or invest in, us. Any such interest income not used to fund our working capital requirements or repay advances from our founders or for due diligence or legal, accounting and non-due diligence expenses will be usable by us to pay other expenses that may exceed our current estimates. We will have sufficient funds in the trust account (after giving effect to the co-investment and the payment of the cash purchase price of the acquisition) to pay the redemption price for the redemption election shares, even if we must redeem 19.99% of the shares of common stock issued in our initial public offering.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is a broad term for the risk of economic loss due to adverse changes in the fair value of a financial instrument. These changes may be the result of various factors, including interest rates, foreign

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exchange rates, commodity prices and/or equity prices. $512.6 million of the net offering proceeds (which includes $18.0 million of the proceeds attributable to the underwriters discount) has been placed into a trust account at Smith Barney maintained by Continental Stock Transfer & Trust Company, acting as trustee. As of June 30, 2007, the balance of the trust account was $521.5 million. The proceeds held in trust will only be invested in U.S. government securities, defined as any Treasury Bill issued by the United States having a maturity of 180 days or less. Thus, we are subject to market risk primarily through the effect of changes in interest rates on government securities. The effect of other changes, such as foreign exchange rates, commodity prices and/or equity prices, does not pose significant market risk to us.

As of June 30, 2007, the effective annualized interest rate payable on our investment was approximately 5.2%. Assuming no other changes to our holdings as of June 30, 2007, a 1% decrease in the yield on our investment as of June 30, 2007 would result in a decrease of approximately $1.3 million in the interest earned on our investment for the following quarterly period.

We have not engaged in any hedging activities since our inception. We do not expect to engage in any hedging activities with respect to the market risk to which we are exposed.

Dissolution and Liquidation if No Business Combination

Pursuant to the terms of the trust agreement between us and Continental Stock Transfer & Trust Company, if we do not complete a business combination by June 28, 2008, or by December 28, 2008 if the extension criteria described below have been satisfied, we will dissolve and as promptly as practicable return and liquidate all funds from our trust account only to our public stockholders, as part of our dissolution and plan of distribution and in accordance with the applicable provisions of the DGCL. Pursuant to the terms of the trust agreement, the liquidating distribution to public stockholders will consist of an aggregate sum equal to the amount in the trust fund, inclusive of any interest not previously released to us less the amount of taxes paid, if any, on interest earned and will be made in proportion to our public stockholders respective equity interests. In the event we seek stockholder approval for our dissolution and plan of distribution and do not obtain such approval, we will nonetheless continue to pursue stockholder approval for our dissolution. Pursuant to the terms of our certificate of incorporation, our powers following the expiration of the permitted time periods for consummating a business combination will automatically thereafter be limited to acts and activities relating to our dissolution. Pursuant to the trust agreement governing such funds, the funds held in our trust account may not be distributed except upon our dissolution and, unless and until such approval is obtained from our stockholders, the funds held in our trust account will not be released (other than in connection with the funding of working capital, a redemption or a business combination as described elsewhere in this proxy statement). Consequently, holders of a majority of our outstanding stock entitled to vote thereon must approve our dissolution in order to receive the funds held in our trust account and, other than in connection with a redemption or a business combination, the funds will not be available for any other corporate purpose. Pursuant to the terms of the trust agreement, as promptly as practicable upon the later to occur of (1) the approval by our stockholders of our plan of distribution or (2) the effective date of such approved plan of distribution, we will liquidate our trust account to our public stockholders. Concurrently, we will pay, or reserve for payment, from interest released to us from the trust account if available, our liabilities and obligations. Each of Messrs. Berggruen and Franklin has agreed that, if we dissolve prior to the consummation of a business combination, they will be personally liable to ensure that the proceeds in the trust account are not reduced by such liabilities and obligations.

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PRICE RANGE OF FREEDOM SECURITIES

Our equity securities trade on the American Stock Exchange. Each of our units consists of one share of common stock and one warrant and trades on the American Stock Exchange under the symbol FRH.U . On January 29, 2007, the warrants and common stock underlying our units began to trade separately on the American Stock Exchange under the symbols FRH.WS and FRH , respectively. Each warrant entitles the holder to purchase one share of our common stock at a price of $7.50 commencing on the later of our consummation of a business combination or December 28, 2007, provided in each case that there is an effective registration statement covering the shares of common stock underlying the warrants in effect. The warrants expire on December 28, 2011, unless earlier redeemed.

The following table sets forth the high and low sales price of our units, common stock and warrants as reported on the American Stock Exchange. Prior to December 21, 2006, there was no established public trading market for our securities.

	Units		Common Stock		Warrants	
Period	**High**	**Low**	**High**	**Low**	**High**	**Low**
Fourth Quarter of year ended December 31, 2006 (from December 21, 2006)	$ 10.20	$ 10.00				
First Quarter of year ending December 31, 2007	$ 11.15	$ 10.01	$ 10.00	$ 8.90	$ 1.40	$ 1.10
Second Quarter of year ending December 31, 2007	$ 16.68	$ 10.55	$ 12.40	$ 9.31	$ 4.60	$ 1.27
Third Quarter of year ending December 31, 2007 (to August 22, 2007)	$ 16.80	$ 12.00	$ 12.34	$ 9.95	$ 4.55	$ 1.95

Holders of Common Equity

On June 30, 2007, there were approximately six holders of record of our units, approximately six holders of record of our warrants and approximately six holders of record of our common stock. Such numbers do not include beneficial owners holding shares, warrants or units through nominee names.

Dividends

Except for the 1-for-3 stock dividend that was effected on December 14, 2006 and the 1-for-5 stock dividend that was effected on December 21, 2006, we have not paid any dividends on our common stock to date and we do not intend to pay cash dividends prior to the consummation of a business combination. After we complete a business combination, the payment of dividends will depend on our revenues and earnings, if any, capital requirements and general financial condition. The payment of dividends after a business combination will be within the discretion of our then-board of directors. Our board of directors currently intends to retain any earnings for use in our business operations and, accordingly, we do not anticipate the board declaring any dividends in the foreseeable future.

MANAGEMENT FOLLOWING THE ACQUISITION

As of the completion of the acquisition, the board of directors, executive officers and significant employees of Freedom, which will be renamed GLG Partners, Inc., will be as set forth below:

Name	Age	Position
Noam Gottesman	46	Chairman of the Board and Co-Chief Executive Officer
Emmanuel Roman	43	Co-Chief Executive Officer and Director
Simon White	49	Chief Financial Officer
Alejandro San Miguel	39	General Counsel and Corporate Secretary
Ian G.H. Ashken	47	Director
Nicolas Berggruen	46	Director
Martin E. Franklin	42	Director
James N. Hauslein	48	Director
William P. Lauder	47	Director
Paul Myners	59	Director
Peter A. Weinberg	49	Director

Management

Noam Gottesman will be our Chairman of the Board and Co-Chief Executive Officer effective upon the consummation of the acquisition. He has been a Managing Director of GLG since he co-founded GLG Partners LP as a division of Lehman International in 1995. He has also served as GLG s Co-Chief Executive Officer since September 2005 and served as its Chief Executive Officer from September 2000 until September 2005. Prior to 1995, Mr. Gottesman was an Executive Director of Goldman Sachs International, where he managed global equity portfolios in the private client group. Mr. Gottesman obtained a B.A. from Columbia University.

Emmanuel Roman will be our Co-Chief Executive Officer effective upon the consummation of the acquisition. He has been a Managing Director and a Co-Chief Executive Officer of GLG since September 2005. From 2000 to April 2005, Mr. Roman served as a co-head of Worldwide Global Securities Services of Goldman Sachs International Limited. In 2003, Mr. Roman also became co-head of the European Equities Division and a member of the European Management Committee, a position he held until April 2005. In 1998, Mr. Roman was elected a partner of Goldman Sachs after two years as a Managing Director. Mr. Roman also served as co-head of Worldwide Equity Derivatives at Goldman Sachs from 1996 to 2000. Mr. Roman obtained an M.B.A. in Finance and Econometrics from the University of Chicago and a bachelor s degree from the University of Paris.

Simon White will be our Chief Financial Officer effective upon consummation of the acquisition. He has been our Chief Operating Officer since September 2000. From 1997 to September 2000, he worked at Lehman Brothers as Executive Director and Branch Manager of the GLG Partners division. From 1995 to 1997, he was Chief Administrative Officer of Lehman Brothers European high net worth business. From 1993 to 1995, he was European Controller at Lehman Brothers. Prior to 1993, Mr. White worked at Credit Suisse First Boston and PaineWebber in a number of senior business and support roles in their London and New York offices. Mr. White is a chartered accountant and a fellow of the Institute of Chartered Accountants and has worked in the financial services business since 1986.

Alejandro San Miguel will be our General Counsel and Corporate Secretary upon the consummation of the acquisition. Mr. San Miguel has been a partner at the law firm of Chadbourne & Parke LLP, one of GLG s principal outside law firms, since 2001. He joined the firm in 1996. Mr. San Miguel will resign from Chadbourne & Parke LLP upon becoming our General Counsel. Mr. San Miguel received a J.D. from New York Law School and a B.A. from the University of Pennsylvania.

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Directors

Ian G. H. Ashken will become a director effective upon the consummation of the acquisition. He is Vice Chairman and Chief Financial Officer of Jarden Corporation and until February 15, 2007 was also Secretary of Jarden Corporation. Mr. Ashken was appointed to the board of directors of Jarden Corporation on June 25, 2001 and became Vice Chairman, Chief Financial Officer and Secretary effective September 24, 2001. Mr. Ashken is also a principal and executive officer of a number of private investment entities. Mr. Ashken was the Vice Chairman of the board of directors of Bollé Inc. from December 1998 until February 2000. From February 1997 until his appointment as Vice Chairman, Mr. Ashken was the Chief Financial Officer and a director of Bollé, Inc. Mr. Ashken previously held positions as Chief Financial Officer and a director of Lumen Technologies, Inc. from May 1996 to December 1998 and Benson Eyecare Corporation from October 1992 to May 1996.

Nicolas Berggruen has been Freedom s President, Chief Executive Officer and a member of the board of directors since its inception in June 2006. Mr. Berggruen heads Berggruen Holdings, Inc. which he founded in 1985 as a means to centralize his investment activities. In 1988, Mr. Berggruen also co-founded Alpha Investment Management, a hedge fund of funds business which was sold in 2004. Prior to founding Berggruen Holdings, Mr. Berggruen worked for Bass Brothers Enterprises starting in 1981. He then joined Jacobson & Co., Inc. in 1983, a firm specializing in industrial buyouts, where he was a principal until 1987. Berggruen Holdings, with operations in the United States, Europe and Asia, invests on a direct basis in operating businesses, which it controls; owns and develops real estate; and maintains an in-house managed public securities portfolio. There is a passive group of hedge funds and private equity funds with whom Berggruen Holdings also actively co-invests. Berggruen Holdings is, and has been involved in a broad range of industries, including branded consumer goods businesses, manufacturing, distribution, telecom and media. On the property front, Berggruen Holdings operates in the United States, Germany, India, Turkey and Israel. Mr. Berggruen sits on the Board of the Berggruen Museum in Berlin. He is a member of the International Council of the Tate Gallery in London. Mr. Berggruen earned a B.S. in Finance and International Business from New York University. He is a member of the Young Presidents Organization.

Martin E. Franklin has been the chairman of Freedom s board of directors since its inception in June 2006. Mr. Franklin has served as chairman and chief executive officer of Jarden Corporation, a broad based consumer products company, since 2001. Prior to joining Jarden Corporation, Mr. Franklin served as chairman and a director of Bollé, Inc. from 1997 to 2000, chairman of Lumen Technologies from 1996 to 1998, and as chairman and chief executive officer of its predecessor, Benson Eyecare Corporation from 1992 to 1996. Mr. Franklin also serves on the board of directors of Kenneth Cole Productions, Inc. Mr. Franklin also serves as a director and trustee of a number of private companies and charitable institutions.

Noam Gottesman will become a director effective upon the consummation of the acquisition. See Management for biographical information about Mr. Gottesman.

James N. Hauslein has been a member of Freedom s board of directors since July 2006. Mr. Hauslein has also served as President of Hauslein & Company, Inc., a private equity firm, since May 1991. From July 1991 until April 2001, Mr. Hauslein served as Chairman of the Board of Sunglass Hut International, Inc., the world s largest specialty retailer of non-prescription sunglasses. Mr. Hauslein also served as Sunglass Hut s Chief Executive Officer from May 1997 to February 1998 and again from January 2001 to May 2001. During Mr. Hauslein s tenure at Sunglass Hut International, he led the growth of its revenues from approximately $35 million to approximately $680 million for fiscal 2000 prior to its acquisition by Luxottica Group (NYSE: LUX) in April 2001. At the time of Luxottica Group s acquisition, Sunglass Hut International (previously NASDAQ: RAYS) operated approximately 2,000 company-owned Sunglass Hut International, Watch Station, Watch World and combination stores in the United States, Canada, the Caribbean, Europe, Asia, Australia and New Zealand. Mr. Hauslein is also currently a member of the Board of Directors of Promethean India, PLC and of two private companies. Mr. Hauslein serves on several philanthropic boards and

foundations and is a member of several Alumni Advisory Boards at Cornell University. Mr. Hauslein received his M.B.A., with Distinction, from Cornell University s Johnson Graduate School of Management and his B.S. in chemical engineering from Cornell University.

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William P. Lauder has been a member of Freedom s board of directors since July 2006. Mr. Lauder has been the President and Chief Executive Officer of The Estée Lauder Companies Inc. since July 1, 2004. Mr. Lauder has also served as Chief Operating Officer of The Estée Lauder Companies Inc. from January 2003 through June 2004, and Group President of The Estée Lauder Companies Inc. from July 2001 through 2002, where he was responsible for the worldwide business of Clinique and Origins and the company s retail store and online operations. From 1998 to 2001, Mr. Lauder was President of Clinique Laboratories. Prior to then, he was President of Origins Natural Resources Inc.; he had been the senior officer of the Origins brand since its creation in 1990. He joined The Estée Lauder Companies in 1986 as Regional Marketing Director of Clinique U.S.A. in the New York Metro area. Mr. Lauder then spent two years at Prescriptives as Field Sales Manager. Prior to joining The Estée Lauder Companies, he completed Macy s executive training program in New York City and became Associate Merchandising Manager of the New York Division/Dallas store at the time of its opening in September 1985. Mr. Lauder graduated from the Wharton School of the University of Pennsylvania in 1983 with a Bachelor of Science degree in Economics. He is a member of the Board of Trustees of the University of Pennsylvania and the Boards of Directors of the Fresh Air Fund, the 92nd Street Y and the Partnership for New York City. He is also a member of the Boards of The Estée Lauder Companies Inc. and True Temper Corporation.

Paul Myners will become a director effective upon the consummation of the acquisition. He is currently Chairman of Guardian Media Group plc and Land Securities Group plc. From 2004 to 2006, he served as Chairman of Marks & Spencer Group plc. From 1986 to 2001, he served as Chief Executive Officer of Gartmore Investment Management plc. He has also served in advisory posts to the U.K. Treasury and the U.K. Department of Trade & Industry, with particular focus on corporate governance practices. He is Chairman of the Trustees of Tate and a member of the Court of Directors of the Bank of England.

Emmanuel Roman will become a director effective upon the consummation of the acquisition. See Management for biographical information about Mr. Roman.

Peter A. Weinberg will become a director effective upon the consummation of the acquisition. Mr. Weinberg has been a partner of Perella Weinberg Partners since the inception of the firm in 2006. Prior to joining Perella Weinberg Partners, Mr. Weinberg was Chief Executive Officer of Goldman Sachs International from 1999 to 2005 and held a number of senior management positions over his 18 year career at Goldman Sachs. Mr. Weinberg was elected a partner at Goldman Sachs in 1992, founded the Financial Sponsors Group, headed Investment Banking Services, headed the Communications, Media and Telecom Group and co-headed Global Investment Banking. During his tenure at Goldman Sachs, Mr. Weinberg also served on the Firm s Management Committee from 1999 to 2005 and headed the European Management Committee. Mr. Weinberg also serves on the boards of BAE Systems plc, as well as a number of charitable and philanthropic organizations. Mr. Weinberg received a Bachelor of Arts from Claremont McKenna College and an M.B.A. from Harvard Business School.

Controlled Company

Following the consummation of the acquisition, certain of the GLG Shareowners who have entered into a voting agreement will beneficially own our common stock and Series A preferred stock which collectively represent approximately 54% of our voting power (after giving effect to the co-investment and assuming no shares are redeemed by Freedom stockholders and no warrants are exercised) and will have the ability to elect our board of directors. As a result, we will be a controlled company for purposes of Section 303(A) of the New York Stock Exchange Listed Company Manual. As a controlled company, we will be exempt from certain governance requirements otherwise required by the New York Stock Exchange, including the requirement that it have a nominating and corporate governance committee. Notwithstanding the fact that, as a controlled company, we will not be required to have a board of directors comprised of a majority of independent directors, our board of directors has determined that a majority of the individuals who will comprise our board of directors, Ian G.H. Ashken, Martin E.

Franklin, James N. Hauslein, William P. Lauder and Paul Myners, are independent as defined in Section 303A.02 of the New York Stock Exchange Listed Company Manual.

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Because of their ownership of approximately 54% of our voting power, GLG s Principals, their Trustees and certain other GLG Shareowners will also be able to determine the outcome of all matters requiring stockholder approval (other than those requiring a super-majority vote) and will be able to cause or prevent a change of control of our company or a change in the composition of our board of directors, and could preclude any unsolicited acquisition of our company. In addition, because they collectively may determine the outcome of a stockholder vote, they could deprive stockholders of an opportunity to receive a premium for their shares as part of a sale of our company. That voting control could ultimately affect the market price of the shares. In addition, pursuant to the voting agreement, Freedom has agreed not to take certain actions without the consent of the GLG Shareowners party to the voting agreement so long as they collectively beneficially own (1) more than 25% of the voting stock and at least one Principal is an employee, partner or member of our company or any of our subsidiaries or (2) more than 40% of the voting stock.

Committees

Audit Committee

Freedom s board of directors has established an audit committee which currently consists of each of Mr. Hauslein, Mr. Lauder and Herbert A. Morey, all of whom have been determined to be independent as defined in Rule 10A-3 of the Exchange Act and the rules of the American Stock Exchange. Upon consummation of the acquisition, we expect that Mr. Morey will resign (due to auditor independence issues) from our board and will no longer serve on the audit committee and will be replaced by Mr. Ashken, who will be independent as defined in Rule 10A-3 of the Exchange Act and the rules of the New York Stock Exchange.

Following the consummation of the acquisition, the responsibilities of our audit committee will include:

- meeting with our management periodically to consider significant financial reporting issues, including the adequacy of our internal control over financial reporting and the objectivity of our financial reporting;

- appointing the independent registered public accounting firm, determining the compensation of the independent registered public accounting firm and pre-approving the engagement of the independent registered public accounting firm for audit and non-audit services;

- overseeing the independent registered public accounting firm, including reviewing independence, performance and quality control procedures and experience and qualifications of audit personnel that are providing us audit services;

- meeting with the independent registered public accounting firm and reviewing the scope and significant findings of the audits performed by them, and meeting with management and internal financial personnel regarding these matters;

- reviewing our financial statements, financing plans, the adequacy and sufficiency of our financial and accounting controls, practices and procedures, the activities and recommendations of the auditors and our reporting policies and practices, and reporting recommendations to our full board of directors for approval;

- being responsible for the review and approval of related-party transactions;

- establishing procedures for the receipt, retention and treatment of complaints regarding internal accounting controls or auditing matters and, if applicable, the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters; and

preparing the report required by the rules of the SEC to be included in our annual proxy statement.

Compensation Committee

Freedom s board of directors has established a compensation committee which consists of each of Messrs. Hauslein, Lauder and Morey, all of whom have been determined to be independent as defined in the rules of the American Stock Exchange. Upon consummation of the acquisition, we expect that Mr. Morey will

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resign (due to auditor independence issues) from our board and the compensation committee will be reconstituted to consist of Messrs. Franklin, Ashken and Berggruen, each of whom will be independent as defined in the rules of the New York Stock Exchange.

Following the consummation of the acquisition, the functions of our compensation committee will include:

- establishing overall compensation policies and recommending to our board of directors major compensation programs;
- subsequent to our consummation of a business combination, reviewing and approving the compensation of our executive officers and non-employee directors, including salary and bonus awards;
- administering any employee benefit, pension and equity incentive programs in which executive officers and directors participate;
- reviewing officer and director indemnification and insurance matters; and
- preparing an annual report on executive compensation for inclusion in our proxy statement.

Governance and Nominating Committee

Freedom s board of directors has established a governance and nominating committee which consists of each of Messrs. Hauslein, Lauder and Morey, all of whom have been determined to be independent as defined in the rules of the American Stock Exchange. Following the consummation of the acquisition, we expect that Messrs. Hauslein, Lauder and Morey will resign from the governance and nominating committee and we will no longer have such a committee.

Code of Ethics and Committee Charters

Freedom has adopted a code of ethics that applies to our officers and directors. We have filed copies of our code of ethics and our board committee charters as an exhibit to the registration statement in connection with our initial public offering. You may review these documents by accessing Freedom s public filings at the SEC s web site at www.sec.gov. In addition, a copy of the code of ethics will be provided without charge upon request to Freedom in writing at 1114 Avenue of the Americas, 41st Floor, New York, New York 10036 or by telephone at (212) 380-2230. Freedom intends to disclose any amendments to or waivers of certain provisions of its code of ethics in a Current Report on Form 8-K.

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COMPENSATION DISCUSSION AND ANALYSIS

Freedom

Neither Mr. Berggruen nor any of our other directors has received any cash compensation for services rendered. No compensation of any kind, including finder s and consulting fees, will be paid to any of our existing stockholders, including our officer and directors, or any of their respective affiliates, for services rendered prior to or in connection with the acquisition of the Acquired Companies. However, these individuals will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf, such as identifying potential target businesses and performing due diligence on suitable business combinations. There is no limit on the amount of these out-of-pocket expenses, and there will be no review of the reasonableness of the expenses by anyone other than our audit committee, which includes persons who may seek reimbursement, or a court of competent jurisdiction if such reimbursement is challenged. If all of our directors are not deemed independent, we will not have the benefit of independent directors examining the propriety of expenses incurred on our behalf and subject to reimbursement.

In July 2006, each of our independent directors purchased 51,201 units (after giving effect to our reverse stock split and stock dividends) for a purchase price of $106. However, none of them serve as officers of ours nor receive any compensation for serving in such role, other than reimbursement of actual out-of-pocket expenses. As the price paid was fair market value at the time, we do not consider the value of the units at the offering price to be compensation. Rather, we believe that because they own such shares, no compensation (other than reimbursement of out of pocket expenses) is necessary and such persons agreed to serve in such role without compensation.

We do not expect to pay any compensation to any of our officers until following the consummation of the acquisition. We expect that at or prior to the closing of the acquisition of the Acquired Companies, the compensation to be paid to members of the board of directors of Freedom will be established and such compensation will be reasonable and customary for the industry.

We have agreed to pay Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, a total of $10,000 per month for office space, administrative services and secretarial support until the earlier of our consummation of a business combination or our liquidation. This arrangement is being agreed to by Berggruen Holdings, Inc. for our benefit and is not intended to provide Berggruen Holdings, Inc. compensation in lieu of a management fee. We believe that such fees are at least as favorable as we could have obtained from an unaffiliated third party.

Other than this $10,000 per-month fee, no compensation of any kind, including finder s and consulting fees, will be paid to Mr. Berggruen, our other directors, or any of their respective affiliates, for services rendered prior to or in connection with a business combination. However, these individuals and the sponsors will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. After a business combination, Mr. Berggruen and any of our other directors who remain with us may be paid consulting, management or other fees from Freedom with any and all amounts being fully disclosed to stockholders, to the extent then known, in the proxy solicitation materials furnished to our stockholders. It is unlikely the amount of such compensation will be known at the time of a stockholder meeting held to consider a business combination, as it will be up to the directors of the post-combination business to determine executive and director compensation.

Other than the securities described above and in the section appearing elsewhere in this proxy statement entitled Beneficial Ownership of Securities , none of our directors has received any of our equity securities.

GLG

GLG s compensation philosophy has been to create a system that rewards its Principals, key personnel and all other employees for performance. The primary objectives of GLG s compensation programs have been to (1) attract, motivate and retain talented and dedicated senior management and other key personnel and (2) link annual compensation to both individual performance and fund performance, together with GLG s

overall financial results. GLG believes this aligns the interests of its senior management and other key personnel with those of the investors in the GLG Funds. To achieve these objectives, GLG has compensated its senior management and other key personnel with a combination of fixed salary, discretionary bonus and cash distributions or limited partner profit shares. These amounts have been determined, in the case of employees, key personnel and Principals providing services to GLG Partners LP, by the Principals in their capacities as managing directors of GLG Partners LP and as directors of GLG Partners Limited, the general partners of GLG Partners LP, and, in the case of employees, key personnel and Principals providing services to GLG Partners Services LP, by the Trustees (or their designees), upon consultation with the Principals, in their capacities as directors of GLG Partners Services Limited, the general partner of GLG Partners Services LP. GLG has set compensation at levels that it believes are competitive against compensation offered by other alternative asset managers and leading investment banks, primarily in London, against whom it competes for senior management and other key personnel, while taking into account the performance of the GLG Funds and the GLG managed accounts. Historically, GLG s management has paid primarily cash compensation and has focused on the total compensation package paid to its senior management, key personnel and Principals. However, the most significant portion of the remuneration paid by GLG to its senior management and key personnel (other than the Principals) has been and is expected to continue to be in the form of discretionary bonuses and discretionary limited partner profit share. GLG believes these forms of remuneration are important to align the interests of its senior management and key personnel with those of investors in the GLG Funds.

Salary and Bonus

Base salaries are generally based upon an individual s scope of responsibilities, level of experience, amounts paid to comparable individuals (both within and outside of GLG) and length of service. Discretionary annual bonuses are generally based on individual performance in absolute and qualitative terms, as well as team performance and GLG s overall performance. Discretionary annual bonuses are designed to reward high-performing key personnel and employees who drive GLG s results and provide an incentive to sustain this performance in the long-term.

Each of GLG s Principals has entered into an employment agreement with GLG Partners LP, pursuant to which he receives an annual salary payable in pounds sterling, which increases by 10% effective December 1 of each calendar year. In addition, each Principal is eligible to receive a discretionary bonus annually under these employment agreements.

Each of GLG s Principals has also entered into an employment agreement with GLG Partners Services Limited, pursuant to which he receives an annual salary payable in U.S. dollars, which increases by 10% effective December 1 of each calendar year. In addition, each Principal is eligible to receive a discretionary bonus annually under these employment agreements.

Simon White, GLG s Chief Operating Officer, was an employee of GLG Partners LP through June 30, 2006. As an employee, Mr. White received salary of $294,000 through such date. On June 30, 2006, he ceased to be an employee and became a participant in the limited partner profit share arrangement. Through his profit share interest, he is entitled to a fixed and discretionary share of the profits earned by certain GLG entities, as described below. In fiscal 2006, Mr. White received limited partner profit share in the amount of $2,206,000.

Distributions and Limited Partner Profit Shares

The Principals have direct and indirect ownership interests in certain GLG entities, principally GLG Partners LP and GLG Partners Services LP, through which they are entitled to receive distributions of profits earned by these GLG entities. In addition, GLG has sought to align the interests of its non-principal senior management and other key personnel with those of the investors in the GLG Funds through the limited partner profit share arrangement. Under the arrangement, these individuals have direct or indirect profits interests in these GLG entities, which entitles these

individuals to receive distributions of profits derived from the fees earned by these GLG entities. Each of these individuals receives the majority of his or her economic benefit in the form of distributions in respect of his or her ownership interests in these GLG entities, in the case of the

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Principals, and limited partner profit shares, in the case of non-principals. For purposes of this discussion, distributions to each Principal include distributions to his respective Trustee.

Participants in the limited partner profit share arrangement are paid base limited partner profit share generally based on the individual s scope of responsibilities, level of experience, amounts paid comparable individuals (both within and outside of GLG) and length of service. Discretionary limited partner profit share is based on the individual s contribution to the generation of profits by GLG Partners LP and GLG Partners Services LP, taking into account the nature of the services provided to GLG by each individual, his or her seniority and the performance of the individual during the period.

A significant portion of the distributions received by GLG s Principals, senior management and key personnel has been performance-based. In making compensation decisions, management takes into account performance during the year both absolutely and against established goals, leadership qualities, contribution to the growth of the business, operational performance, business responsibilities, length of service, current compensation arrangements and long-term potential to enhance value for investors in the GLG Funds. Specific factors affecting compensation decisions include:

- key financial measurements such as fee revenue, operating profit, fund inflows and fund performance;
- promoting commercial excellence, including by creating new product or investment ideas, improving fund performance, introducing new clients, growing AUM, being a leading market player or attracting and retaining other talented individuals and investors;
- achieving excellence and respect among the senior management, peers and other employees; and
- enhancing the growth and reputation of the GLG business as a whole.

Post-Acquisition Compensation

Upon consummation of the acquisition, it is anticipated that employment agreements between each of Messrs. Gottesman, Roman, White and San Miguel and us will become effective. In addition, upon consummation of the acquisition, we expect that the key personnel of GLG will continue to provide services to GLG. The employment agreements for each of Messrs. Gottesman, Roman and Lagrange will provide for a base salary of $1 million per annum for the remainder of 2007 and for 2008 and no cash bonus or equity compensation with respect to 2007. Cash bonuses and equity compensation for 2008 and future periods, if any, will be determined by the proposed independent compensation committee following consummation of the acquisition, depending upon profitability, individual performance and other factors which the compensation committee determines to be relevant.

We believe that GLG s philosophy of seeking to align the interests of its key personnel with those of the investors in the GLG Funds has been a key contributor to the growth and successful performance of GLG. After the acquisition transaction, we intend that senior management and other key personnel will continue to have an interest in a portion of the profits generated by the performance of these GLG Funds in order to better align their interests with ours and with those of the investors in these GLG Funds. In furtherance of this philosophy, following the consummation of the acquisition transaction, the Principals and their Trustees and certain of the key personnel participating in the equity participation plan will invest in the GLG Funds at least 50% of the excess of the cash proceeds they receive in the acquisition transaction over the aggregate amount of any taxes payable on their respective portion of the purchase price, further aligning their interests with those of the investors in these funds. The Principals and Trustees and these key personnel and their families and affiliates are expected to have in excess of $ million invested in the GLG Funds and will pay the same fees and invest on the same terms as other investors. The determination of the GLG

Funds into which GLG key personnel participating in the equity participation plan will invest the proceeds of the acquisition and the amounts to be invested in each GLG Fund will be made by the general partners of Sage Summit LP and Lavender Heights Capital LP, respectively, the vehicles through which the equity participation plan is implemented, in consultation with certain GLG key personnel. The general partners of these limited partnerships are Sage Summit Ltd. and Mount Garnet Limited, the directors of which are the Trustees. See Certain Relationships and Related Person Transactions GLG Investment Transactions .

Following the acquisition, we intend to have a significant amount of performance-based compensation for our executive officers, other senior management and other key personnel that is tied to the profitability of our business. In addition, as a public company, we will have our stock available as another component of our compensation program. We also believe the continued ownership by our senior management and key personnel of significant amounts of our common stock, either directly or indirectly through stock-based awards under the LTIP, will afford significant alignment with holders of our common stock. We anticipate that our non-principal key personnel will continue to participate in performance-based limited partner profit shares that are tied to the profitability of our business. Performance based compensation may take the form of discretionary cash bonuses and limited partner profit shares, or equity compensation.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth certain summary information concerning compensation paid or accrued by GLG for services rendered in all capacities during the fiscal year ended December 31, 2006 for GLG s Co-Chief Executive Officers, Chief Financial Officer and Pierre Lagrange, a Managing Director. These individuals are referred to as GLG s named executive officers in this proxy statement. As discussed above under Compensation Discussion and Analysis , in addition to receiving an annual salary and discretionary bonus (other than Mr. White), each of GLG s named executive officers receive the majority of their compensation in the form of distributions in respect of their direct or indirect ownership interests in GLG s businesses and/or limited partner profit shares. Therefore, a significant portion of the distributions received by its executive officers has been performance-based, because all of their distributions have been calculated based on their respective percentage interests in the profits of its firm and their allocated limited partner profit shares. Cash distributions to the Gottesman GLG Trust, Roman GLG Trust and Lagrange GLG Trust in respect of GLG s fiscal and tax year ended December 31, 2006 were $54,579,000 to Mr. Gottesman, $19,152,000 to Mr. Roman and $47,581,000 to Mr. Lagrange. In addition, Mr. White received limited partner profit share in the amount of $2,206,000 representing limited partner profit share for the second half of 2006.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Noam Gottesman **Co-Chief Executive Officer and Managing Director**	2006	4,664,130			81,200(1)	4,745,330
Emmanuel Roman **Co-Chief Executive Officer and Managing Director**	2006	4,659,420			81,200(1)	4,740,620
Pierre Lagrange **Managing Director**	2006	4,700,090			81,200(1)	4,781,290
Simon White **Chief Operating Officer**	2006	294,000			5,700(2)	299,700

(1) Maximum allowance for health, medical and other fringe benefits.

(2) Medical, dental and health benefits.

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Employment Agreements

Each of Messrs. Gottesman, Roman and Lagrange has entered into an employment agreement with GLG Partners LP, pursuant to which he received an annual salary of $3,346,622, $3,341,912 and $3,585,667, respectively, in fiscal 2006. The individuals did not receive any discretionary bonus in fiscal 2006 under these employment agreements.

Each of Messrs. Gottesman, Roman and Lagrange has also entered into an employment agreement with GLG Partners Services Limited, pursuant to which he received an annual salary of $1,317,508, $1,317,508 and $1,114,423, respectively, in fiscal 2006. The Principals did not receive any discretionary bonuses in fiscal 2006 under these employment agreements.

Prior to June 30, 2006, Simon White, GLG s Chief Operating Officer, was an employee of GLG Partners LP. As an employee, Mr. White received salary of $294,000 through such date. On June 30, 2006, he ceased to be an employee and became the holder of an indirect limited partnership interest in GLG Partners LP.

It is expected that effective upon the consummation of the acquisition, each of Messrs. Gottesman, Roman and White will have a new employment agreement with GLG Partners, Inc. in addition to the existing agreement for Messrs. Gottesman and Roman.

Potential Payments Upon Termination or Change of Control

The following discussion summarizes certain provisions of the existing employment agreements between each of the Principals and GLG Partners LP and GLG Partners Services Limited, which are expected to be amended or replaced in connection with the acquisition.

Each of GLG s Principals may terminate his employment with GLG Partners LP by giving not less than four weeks notice to GLG Partners LP. GLG Partners LP may terminate the employment of a Principal by giving not less than four weeks notice of termination where the applicable period of service is up to four years, and thereafter one additional week s notice for each year in excess of four, subject to a maximum of 12 weeks notice. During the notice period, GLG Partners LP is only obligated to provide a Principal with salary and benefits and is under no obligation to provide a Principal with any work. No notice is required if GLG Partners LP terminates a Principal s employment for cause. In addition, GLG Partners LP may terminate the employment of a Principal without cause with immediate effect by paying his annual salary to him in lieu of a notice of termination. Assuming his employment was terminated without notice by GLG Partners LP on December 31, 2006, each of Messrs. Gottesman, Roman and Lagrange would have been entitled to receive $3,410,255, $3,410,255 and $3,653,485, respectively, in a lump sum payment on such date.

Each Principal may terminate his employment with GLG Partners Services Limited by giving not less than four weeks notice to GLG Partners Services Limited. GLG Partners Services Limited may terminate the employment of a Principal by giving not less than four weeks notice of termination where the applicable period of service is up to four years, and thereafter one additional week s notice for each year in excess of four, subject to a maximum of 12 weeks notice. During the notice period, GLG Partners Services Limited is only obligated to provide a Principal with salary and benefits and is under no obligation to provide a Principal with any work. No notice is required if GLG Partners Services Limited terminates a Principal s employment for cause. In addition, GLG Partners Services Limited may terminate the employment of a Principal without cause with immediate effect by paying his annual salary to him in lieu of a notice of termination. Assuming his employment was terminated without notice by GLG Partners Services Limited on December 31, 2006, each of Messrs. Gottesman, Roman and Lagrange would have been entitled to receive $1,461,538, $1,461,538 and $1,217,948, respectively, in a lump sum payment on such date.

Messrs. Gottesman, Roman and Lagrange are not entitled to any payments based upon a change in control of GLG Partners LP or GLG Partners Services Limited.

Under the terms of their employment agreements with GLG Partners LP and GLG Partners Services Limited, each of Messrs. Gottesman, Roman and Lagrange may not use or disclose confidential information following the termination of his employment. In addition, Mr. Roman is subject to certain post-employment restrictions on his competition with the business of GLG Partners LP and GLG Partners Services Limited or solicitation of existing or potential clients, intermediaries or employees for periods of 12 or 18 months.

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For purposes of Mr. Roman s employment agreements with GLG Partners LP and GLG Partners Services LP, business is defined as the management, investment management, and investment advisory businesses, and the fund structuring, establishment, marketing, distribution and management businesses, carried on by GLG Partners LP, GLG Partners Services LP, or an associated company on Mr. Roman s employment termination date or during the 12-month period immediately preceding such date, and any other business that, to Mr. Roman s knowledge, GLG Partners LP or GLG Partners Services LP intends to conduct during the 12-month period following his termination of employment.

Mr. White is a member of Laurel Heights LLP and a limited partner of Sage Summit LP and Lavender Heights Capital LP, through which he participates in the limited partner profit share arrangement and the equity participation plan described below under Certain Relationships and Related Person Transactions GLG Limited Partner Profit Share Arrangement and Equity Participation Plan .

Laurel Heights LLP may remove Mr. White as a member (1) for cause, (2) where certain triggering events have occurred, (3) upon his reaching age 60 or (4) for any reason or no reason. Laurel Heights LLP may remove Mr. White as a member pursuant to clause (4) by giving not less than 12 weeks notice. Mr. White s removal may be with immediate effect if Laurel Heights LLP makes full payment of his monthly drawings otherwise payable to him during the notice period. In all other removal circumstances, the removal will be with immediate effect. Assuming Mr. White was removed as a member pursuant to clause (4) described above without notice by Laurel Heights LLP on December 31, 2006, he would have been entitled to receive $86,250 in a lump sum payment on such date with respect to such removal.

Each of Sage Summit LP and Lavender Heights Capital LP may remove Mr. White as a limited partner (1) at any time prior to a liquidity event, (2) for cause, (3) where he has ceased his service as a partner, member, employee or otherwise of an associated entity, (4) at any time after his awards under the equity participation plan have fully vested, (5) at any time, if the Principals maintain control of GLG Partners LP and (6) upon his death or disability. In addition, Sage Summit LP may remove Mr. White as a limited partner upon his voluntary withdrawal as a member of Laurel Heights LLP. Mr. White s removal as a limited partner will be effective immediately upon delivery of a removal notice.

Under the terms of the applicable limited liability partnership agreement and limited partnership agreements, Mr. White may not use or disclose confidential information following the termination of his membership or limited partnership relationship. In addition, Mr. White is subject to certain post-termination restrictions on his competition with GLG s business or his solicitation of existing or potential clients, intermediaries or employees for periods of 6, 12 or 18 months, as the case may be.

Director Compensation

Freedom s board of directors receives no compensation for their service, other than reimbursement of travel expenses for attending meetings. The Compensation Committee has not yet determined the compensation to be paid to the members of our board of directors following the consummation of the acquisition.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Freedom

On July 20, 2006, Berggruen Holdings, which is controlled by Mr. Berggruen, purchased 5,923,200 of our units (after giving effect to our reverse stock split and stock dividends) for an aggregate purchase price of $12,340 and Marlin Equities, which is controlled by Mr. Franklin, purchased 5,923,200 of our units (after giving effect to our reverse stock split and stock dividends) for an aggregate purchase price of $12,340. In addition, on July 20, 2006, each of our directors purchased 51,201 units (after giving effect to our reverse stock split and stock dividends) for a purchase price of $106. The units are identical to those sold in our initial public offering, except that:

- each of our founders has agreed to vote its founders common stock in the same manner as a majority of the public stockholders who vote at the special meeting called for the purpose of approving our initial business combination. As a result, they will not be able to exercise redemption rights with respect to the founders common stock if our initial business combination is approved by a majority of our public stockholders;
- the warrants underlying such units become exercisable after our consummation of a business combination if and when the last sales price of our common stock exceeds $14.25 per share for any 20 trading days within a 30-trading day period beginning 90 days after such business combination; and
- the warrants underlying such units are non-redeemable for so long as they are held by our founders or their permitted transferees.

On July 20, 2006, Berggruen Holdings agreed to purchase 2,250,000 of our warrants to purchase one share of our common stock at a price of $1.00 per warrant. Berggruen Holdings purchased such warrants from us immediately prior to the consummation of our initial public offering on December 28, 2006.

On July 20, 2006, Berggruen Holdings agreed to invest $25.0 million in us in the form of co-investment units at a price of $10.00 per unit (after giving effect to our reverse stock split). Berggruen Holdings is obligated to purchase such co-investment units from us immediately prior to the consummation of a business combination.

On July 20, 2006, Marlin Equities agreed to purchase 2,250,000 of our warrants to purchase one share of our common stock at a price of $1.00 per warrant. Marlin Equities purchased such warrants from us immediately prior to the consummation of our initial public offering on December 28, 2006.

On July 20, 2006, Marlin Equities agreed to invest $25.0 million in us in the form of co-investment units at a price of $10.00 per unit (after giving effect to our reverse stock split). Marlin Equities is obligated to purchase such co-investment units from us immediately prior to the consummation of a business combination.

Pursuant to a registration rights agreement dated December 21, 2006 between us and our founders, our founders are entitled to certain registration rights. Specifically, (1) the sponsors warrants and the underlying common stock, and the co-investment warrants and the underlying common stock, will be entitled to certain registration rights upon the consummation of a business combination; (2) the founders warrants and the underlying common stock will be entitled to certain registration rights 90 days after the consummation of a business combination; and (3) the founders units, founders common stock, co-investment units and co-investment common stock will be entitled to certain registration rights one year after the consummation of a business combination. We are only required to use our best efforts to cause a registration statement relating to the resale of such securities to be declared effective and, once effective, only

to use our best efforts to maintain the effectiveness of the registration statement. The holders of warrants do not have the rights or privileges of holders of our common stock or any voting rights until such holders exercise their respective warrants and receive shares of our common stock. Certain persons and entities that receive any of the above described securities from our founders will, under certain circumstances, be entitled to the registration rights described herein. We will bear the expenses incurred in connection with the filing of any such registration statements.

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We have agreed to pay Berggruen Holdings, Inc., an affiliate of Mr. Berggruen, a total of $10,000 per month for office space, administrative services and secretarial support until the earlier of our consummation of a business combination or our liquidation. This arrangement is being agreed to by Berggruen Holdings, Inc. for our benefit and is not intended to provide Berggruen Holdings, Inc. compensation in lieu of a management fee. We believe that such fees are at least as favorable as we could have obtained from an unaffiliated third party. Prior to the consummation of our initial public offering, Berggruen Holdings has agreed to provide us with office space, administrative services and secretarial support at no charge.

As of December 21, 2006, each of Berggruen Holdings and Marlin Equities had advanced on our behalf a total of $125,000 and $125,000, respectively, for payment of offering expenses. These advances were non-interest bearing, unsecured and were repaid on January 23, 2007 out of the proceeds of our initial public offering not placed in trust and from interest we received on the balance of the trust account.

During the period while we are pursuing the acquisition of a target business, Mr. Berggruen has agreed to present business combination opportunities that fit within our criteria and guidelines to us.

Berggruen Holdings has agreed to make four investment professionals located at the Berggruen Holdings offices in New York, Los Angeles and London available at no cost to us to actively source an acquisition for us. Each of these investment professionals has agreed with us that such individual will not present us with a potential business combination opportunity with a company (1) with which such individual has had any discussions, formal or otherwise, with respect to a business combination with another company prior to the consummation of our initial public offering or (2) that is competitive with any portfolio company of Berggruen Holdings until after such individual has presented the opportunity to such portfolio company and such portfolio company has determined not to proceed with that opportunity.

On January 31, 2006, Berggruen Holdings (in the name of Safra Bank, as its custodian), subscribed to 65,389.394 shares of the GLG Emerging Markets Fund at $152.93 per share for an aggregate purchase price of $10.0 million.

On February 28, 2006, Berggruen Holdings (in the name of Safra Bank, as its custodian), subscribed to 58,958.788 shares of GLG Emerging Markets Fund at $169.61 per share for an aggregate purchase price of $10.0 million.

Since June 22, 2007, Berggruen Holdings has made open market purchases of Freedom common stock aggregating shares.

GLG

The Acquisition

The Principals, the Trustees, certain of GLG s executive officers, and Freedom s founders and directors are party to or the beneficiaries of various agreements related to the acquisition, including the purchase agreement, the support agreement, the GLG shareholders agreement, the shares exchange agreement, the founders agreement, the voting agreement and the agreement among principals and trustees, described in The Purchase Agreement and Agreements Related to the Acquisition.

Investment Transactions

Pursuant to the terms of the purchase agreement, following the consummation of the acquisition transaction, all GLG Shareowners, including the Principals and their Trustees and the key personnel participating in the equity participation plan will invest in the GLG Funds at least 50% of the excess of the cash proceeds they receive in the acquisition transaction over the aggregate amount of any taxes payable on their respective portion of the purchase price, further aligning their interests with those of the investors in these funds. The Principals and Trustees and these key personnel are expected to have in excess of $ million invested in the GLG Funds and will pay the same fees and invest on the same terms as other investors. The determination of the GLG Funds into which GLG key personnel participating in the equity participation plan will invest the proceeds of the acquisition and the amounts to be invested in each GLG Fund will be made by the general partners of Sage Summit LP and Lavender Heights Capital LP, the vehicles through which the equity participation plan is

implemented, in consultation with such GLG key personnel. The general partners of these limited partnerships are Sage Summit Ltd. and Mount Garnet Limited, respectively, the directors of which are the Trustees.

Lehman Brothers Bankhaus AG Loans

A subsidiary of Lehman Brothers Holdings Inc. holds an approximately 15.3% equity interest in GLG.

In 2000, Lehman Brothers Bankhaus AG, an affiliate of Lehman International, which we refer to as Lehman Bankhaus, made loans to each of the Gottesman GLG Trust, the Lagrange GLG Trust, the Green GLG Trust, and Stirling Trustees Limited, in its capacity as trustee of the Jabre GLG Trust, a trust established by Philippe Jabre for the benefit of himself and his family (the Jabre GLG Trust). In 2002, the loan to Abacus (C.I.) Limited was novated and assigned to Mr. Green. The loans are non-recourse to the assets of the borrowers, except that they are secured by a pledge to Lehman Bankhaus by each of the borrowers of 1,000 shares of non-voting stock (representing all of the non-voting stock) in each of GLG Holdings Limited, GLG Partners Services Limited, GLG Partners (Cayman) Limited and GLG Partners Asset Management Limited owned by the borrowers and any dividends paid on such shares. The loans require that dividends be paid on the non-voting shares from time to time and that all dividends paid on the non-voting shares be applied to the repayment of the loans. The outstanding principal amounts of the loans to the Gottesman GLG Trust, the Lagrange GLG Trust and Mr. Green are currently $10,256,799, $5,278,602 and $7,097,667, respectively. In June 2007, the loan to the Jabre GLG Trust was repaid in full. The largest amounts of principal outstanding under the loans during 2006 and the amounts of principal and interest paid on the loans during 2006 by the Gottesman GLG Trust, the Lagrange GLG Trust, Mr. Green and the Jabre GLG Trust were $32,515,222, $17,588,083, $23,597,775 and $16,526,705, respectively, and $10,840,000, $5,849,000, $7,849,000 and $5,496,501, respectively. The loans bear interest at a rate of 3.0% per annum, other than the loan to the Gottesman GLG Trust, which bears interest at a rate of 4.53% per annum. As of June 15, 2007, the loan to Mr. Green was novated and assigned, and all of Mr. Green s non-voting shares in each of the GLG entities referred to above were transferred to Chapter Investment Assets Limited, subject to receipt of all requisite regulatory approvals.

Prior to the closing of the transaction, each of GLG Holdings Limited and GLG Partners Services Limited will declare dividends on its non-voting shares in an aggregate amount not to exceed the amount necessary to repay fully the loans to the Gottessman GLG Trust, the Lagrange GLG Trust and Mr. Green described above. Immediately prior to the closing of the acquisition, Lehman Bankhaus will release the pledge on the non-voting shares, but not on any dividend, and all of the non-voting shares will be repurchased or redeemed by the relevant GLG entity. In addition, if and to the extent the dividends paid on the non-voting shares are insufficient to repay the loans in full, Lehman Bankhaus has agreed to forgive any remaining outstanding balance after the closing.

Transactions with Lehman Brothers

Lehman Brothers Holdings Inc. and its affiliates (collectively, Lehman Brothers) provide prime brokerage services to certain of the GLG Funds pursuant to prime brokerage agreements with each of the GLG Funds. In addition, Lehman Brothers acts as a broker, prime broker, derivatives counterparty and stock lending agent for certain of the GLG Funds and managed accounts pursuant to market standard trading agreements. Lehman Brothers also clears and settles securities and derivatives trades for certain of the GLG Funds and for certain managed accounts pursuant to a clearing and settlement agreement dated September 2000 with GLG Partners LP. In addition, Lehman Brothers provides on-going services such as issuing contract notes to GLG clients and provides certain systems, such as a convertible bond trading system, pursuant to an ongoing services agreement, dated September 2000. Pursuant to a dealing agreement, dated September 2000, Lehman Brothers provides custody services to certain GLG clients. This agreement also establishes the regulatory relationship between Lehman Brothers and GLG. Lehman Brothers also provides payroll services to GLG and has agreed to provide GLG with disaster recovery support, such as office space. Pursuant to these agreements, GLG paid Lehman Brothers approximately $76,000, $81,000, and $63,000 in the aggregate in

respect of payroll services provided during 2006, 2005 and 2004, respectively, and approximately $39,000 for the six months ended June 30, 2007.

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In addition, Lehman Brothers distributes GLG Funds through their private client sales force, and GLG rebates to Lehman Brothers, on an arm s-length basis, certain of the fees that it receives from the GLG Funds in relation to these investments. The annual charge to GLG was approximately $3.8 million, $2.3 million and $1.9 million in 2006, 2005 and 2004, respectively.

Limited Partner Profit Share Arrangement

Beginning in mid-2006, GLG entered into partnership with a number of its key personnel in recognition of their importance in creating and maintaining the long-term value of GLG. These individuals ceased to be employees and either became holders of direct or indirect limited partnership interests in GLG or formed two limited liability partnerships through which they provide services to GLG. Through these partnership interests, these key individuals are entitled to a fixed and discretionary share of the profits earned by certain GLG entities.

The Principals do not participate in the limited partner profit share arrangement. For 2006, Mr. White received limited partner profit share in the amount of $2,206,000. For a further discussion of the limited partner profit share arrangement, see Organizational Structure Limited Partner Profit Share Arrangement .

Equity Participation Plan

In March 2007, GLG established the equity participation plan to provide certain key individuals, through their direct or indirect limited partnership interests in two limited partnerships, Sage Summit LP and Lavender Heights Capital LP, with the right to receive a percentage of the proceeds derived from an initial public offering relating to GLG or a third-party sale of GLG. The Principals do not participate in the equity participation plan. Upon consummation of the acquisition, Sage Summit LP and Lavender Heights Capital LP will receive collectively approximately 15% of the total consideration of cash and/or Notes and Freedom capital stock payable to the GLG Shareowners in the acquisition. These limited partnerships will distribute to the limited partners an aggregate of 25% of such amounts upon consummation of the acquisition, and the remaining 75% will be distributed to the limited partners in three equal installments upon vesting over a three-year period on the first, second and third anniversaries of the consummation of the acquisition, subject to the ability of the general partners of the limited partnerships, whose respective boards of directors consist of the Trustees, to accelerate vesting. The unvested portion of such amounts will be subject to forfeiture in the event of termination as a limited partner prior to each vesting date, unless such termination is without cause after there has been a change in control of Freedom after completion of the acquisition or due to death or disability.

In March 2007, Mr. White was admitted as a limited partner in each of Sage Summit LP and Lavender Heights Capital LP through which he is entitled to receive 0.2% of the total consideration of the acquisition, subject to vesting as described above.

Schreyer Consulting Agreement

GLG Partners Services LP entered into a consulting agreement, dated as of January 1, 2002, with Leslie J. Schreyer. Under the terms of the consulting agreement, GLG Partners Services LP agreed to engage Mr. Schreyer as its legal counsel and adviser on a part-time basis. The consulting agreement is for a one-year term and automatically renews each year for an additional one-year term, unless terminated. The consulting agreement provides for an annual base salary of $1.5 million, of which $500,000 is paid in monthly installments and the balance is paid when bonuses are payable. Mr. Schreyer is also eligible to receive a bonus and other benefits, such as health insurance. Mr. Schreyer received total compensation of $2.9 million during 2006. The consulting agreement may be terminated on 90 days written notice by either GLG Partners Services LP or Mr. Schreyer. It is expected that upon consummation of the

acquisition the consulting agreement will be terminated and that Mr. Schreyer will become an employee or consultant of GLG Partners, Inc. upon terms substantially equivalent to the terms of the consulting agreement. Mr. Schreyer is a partner of Chadbourne & Parke LLP, one of GLG s principal outside law firms.

Green Consulting Fee

In 2006, GLG Partners LP paid Jonathan Green, a former principal, a consulting fee in the amount of $1.0 million.

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Resignations of Former Principals

In April 2006, Philippe Jabre resigned as an employee of GLG Partners LP and GLG Partners Services LP. In January 2007, Mr. Jabre resigned as a director of GLG Partners Limited, and an officer of Stirling Trustees Limited, the trustee of the Jabre GLG Trust, resigned as a director of each of GLG Holdings Limited, GLG Partners Services Limited, GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited. In connection with his resignation from GLG, Mr. Jabre transferred to Mr. Gottesman all of his voting shares in GLG Partners Limited, and the Jabre GLG Trust, transferred to the Gottesman GLG Trust, all of its voting shares in GLG Holdings Limited, GLG Partners Services Limited, GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited the aggregate. These transfers were made in two installments in mid-2006 and late-2006. In addition, Mr. Gottesman, Mr. Lagrange, the Gottesman GLG Trust and the Lagrange GLG Trust, agreed to release Mr. Jabre and the Jabre GLG Trust from certain non-competition and non-solicitation arrangements among them related to GLG.

In May 2005, in connection with certain regulatory investigations relating to Mr. Jabre, GLG Partners Limited, GLG Holdings Limited, GLG Partners Services Limited, GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited released Mr. Jabre and the Jabre GLG Trust, in respect of liabilities arising out of trading in securities of Sumitomo Mitsui Financial Group Inc. and/or Alcatel S.A. by certain GLG Funds managed at the time by Mr. Jabre, except for liabilities resulting from certain third-party claims. There have been no such claims.

In connection with Mr. Green s resignation from GLG, which was effective January 1, 2004, Mr. Green and the Green GLG Trust, agreed to transfer a portion of their voting shares in each of the GLG entities in which he or it was a shareholder, namely GLG Partners Limited, GLG Holdings Limited, GLG Partners Services Limited, GLG Partners Asset Management Limited and GLG Partners (Cayman) Limited, on each of the first, second and third anniversaries of his resignation to Mr. Gottesman, Mr. Lagrange, the Gottesman GLG Trust and the Lagrange GLG Trust. These transfers were made in 2006 and 2007. In addition, in connection with the sale by Mr. Green and the Green GLG Trust of their equity interests in the Acquired Companies to Istithmar and Sal. Oppenheim, Messrs. Gottesman, Lagrange and Roman and the Gottesman GLG Trust, Lagrange GLG Trust and Roman GLG Trust agreed to release Mr. Green and the Green GLG Trust from certain non-competition and non-solicitation arrangements among them related to GLG.

Freedom Investments

The following GLG Funds and managed accounts hold Freedom units (common stock and warrants): the GLG Century Fund SICAV managed account (18,800), the GLG US Map Fund (5,665), the Lyxor North American Opportunity Fund managed account (3,650), the GLG North American Equity Fund (71,400), the GLG North American Opportunity Fund (300,000) and the GLG Pleiade SICAV managed account (8,100). The Principals control the voting and disposition of the Freedom units held by these GLG Funds and managed accounts by virtue of GLG entities acting as manager of these GLG Funds and managed accounts.

Perella Weinberg Partners LP

Peter Weinberg, who is expected to be a member of the board of directors after the acquisition, is a partner of Perella Weinberg Partners LP, or PWP, GLG s financial adviser in connection with the acquisition. Pursuant to an engagement letter entered into in January 2007, GLG retained PWP to provide financial advisory services to GLG in connection with exploring various strategic alternatives available to GLG. GLG has agreed to pay PWP a fee of $ contingent upon the consummation of the acquisition. In addition, GLG has agreed to reimburse PWP for its reasonable out-of-pocket expenses incurred in connection with the engagement.

Policies and Procedures for Related Person Transactions

As a privately held company, GLG has not established any policies and procedures regarding transactions with related persons; however, upon completion of the acquisition Freedom will adopt an audit committee charter that provides, among other things, that the audit committee will be responsible for the review and approval of all related-party transactions.

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BENEFICIAL OWNERSHIP OF SECURITIES

The table below sets forth the actual beneficial ownership as of August 1, 2007 and the projected beneficial ownership of our common stock immediately after the completion of the acquisition and is derived from information relating to the beneficial ownership of Freedom common stock as of August 1, 2007. The table sets forth the projected beneficial ownership of our common stock and Series A preferred stock, or capital stock, by the following individuals or entities:

- each person who will beneficially own more than 5% of the outstanding shares of our capital stock immediately after consummation of the acquisition;

- the individuals who will be our Co-Chief Executive Officers, the Chief Financial Officer and two other most highly compensated executive officers;

- the individuals who will be our directors; and

- the individuals who will be our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. Except as otherwise indicated, each person or entity named in the table is expected to have sole voting and investment power with respect to all shares of our capital stock shown as beneficially owned, subject to applicable community property laws. As of August 1, 2007, 64,800,003 shares of Freedom common stock were issued and outstanding. The percentage of beneficial ownership after the acquisition set forth below gives effect to the issuance of 5,000,000 shares of Freedom common stock in the co-investment and an estimated 230,000,000 shares of our capital stock in the acquisition and is based on 299,800,003 shares of our capital stock estimated to be outstanding immediately following completion of the acquisition after giving effect to the co-investment by Freedom s sponsors and assuming no redemption of shares by Freedom stockholders and no exercise of outstanding Freedom warrants. In computing the number of shares of our capital stock beneficially owned by a person and the percentage ownership of that person, shares of our capital stock that will be subject to options held by that person that are currently exercisable or that are exercisable within 60 days of August 1, 2007 are deemed outstanding. These shares are not, however, deemed outstanding for the purpose of computing the percentage ownership of any other person. None of the shares of our common stock owned by Mr. Berggruen or any of our directors have been pledged as security. The business address of Berggruen Holdings and each of Messrs. Berggruen, Hauslein and Lauder is c/o Freedom Acquisition Holdings, Inc., 1114 Avenue of the Americas, 41st Floor, New York, New York 10036. The business address of Messrs. Gottesman, Roman, Lagrange and White and Sage Summit LP is c/o GLG Partners, One Curzon Street, London W1J 5HB, England.

Name of Beneficial Owner and Management	Number of Shares of Common Stock Beneficially Owned Before the Acquisition	Approximate Percentage of Outstanding Common Stock Beneficially Owned Before the Acquisition	Number of Shares of Common Stock Beneficially Owned After the Acquisition	Approximate Percentage of Outstanding Common Stock Beneficially Owned After the Acquisition
Berggruen Holdings North America Ltd.(1)(2)	5,923,200	9.1(7)	8,423,200	2.8
Marlin Equities(1)(3)	5,923,200	9.1(7)	8,423,200	2.8
Glenhill Advisors, LLC(4)	9,000,000	13.9	9,000,000	3.0
Lehman Brothers Holdings, Inc.(5)			33,659,998	11.2
Sage Summit LP			14,850,000	5.0
Noam Gottesman(6)	407,615	*	94,062,608(10)(11)	31.4
Emmanuel Roman(6)	407,615	*	53,857,610(10)(12)	18.0
Pierre Lagrange(6)	407,615	*	94,062,608(10)(13)	31.4
Simon White			110,000	*
Alejandro San Miguel				
Ian G.H. Ashken(3)	5,923,200	9.1(7)	8,423,200	2.8
Nicolas Berggruen(6)	5,923,200	9.1(7)	8,423,200	2.8
Martin E. Franklin(3)	5,923,200	9.1(7)	8,423,200	2.8
James N. Hauslein	51,201	*	51,201	*
William P. Lauder	51,201	*	51,201	*
Herbert Morey(8)	51,201	*	51,201	*
Paul Myners				
Peter A. Weinberg				
All directors and executive officers as a group (5 individuals before the acquisition and 13 individuals after the acquisition)	12,000,003	18.52		

* Less than 1%

(1) Berggruen Holdings and Marlin Equities have agreed to act together for the purpose of acquiring, holding, voting or disposing of our shares and are deemed to be a group for reporting purposes under the Exchange Act. Includes 2,250,000 shares of Freedom common stock issuable to each of Berggruen Holdings and Marlin Equities upon the exercise of sponsors warrants. The sponsors warrants become exercisable upon the later of the consummation of the acquisition or December 28, 2007.

(2) Represents shares held by Berggruen Holdings North America Ltd. through Berggruen Acquisition Holdings, Ltd. (BAH). BAH is a subsidiary of Berggruen Holdings North America Ltd. Berggruen Holdings North

America Ltd. is the managing and majority shareholder of BAH.

(3) Based on a Schedule 13G filed on February 14, 2007, Mr. Franklin is the majority owner and managing member of Marlin Equities and Mr. Ashken is the other principal member of Marlin Equities. Each of Mr. Franklin and Mr. Ashken may be considered to have beneficial ownership of Marlin Equities interests in us. The business address of Marlin Equities, Mr. Ashken and Mr. Franklin is 555 Theodore Fremd Avenue, Suite B-302, Rye, New York 10580. Our sponsors have agreed to act together for the purpose of acquiring, holding, voting or disposing of our shares and are deemed to be a group for reporting purposes under the Exchange Act.

(4) Based on a Schedule 13G filed on January 3, 2007 with the SEC jointly by Glenhill Advisors, LLC (Glenhill Advisors), Glenn J. Krevlin (Mr. Krevlin) and Glenhill Capital Overseas GP, Ltd. (Glenhill Capital Overseas , and collectively with Glenhill Advisors and Mr. Krevlin, Glenhill). The Schedule 13G indicates that Mr. Krevlin is the managing member and control person of Glenhill Advisors, Glenhill Advisors is the managing member of Glenhill Capital Management, LLC. Glenhill Capital Management, LLC is the general partner and investment adviser of Glenhill Capital LP, the sole shareholder of Glenhill Capital Overseas. Glenhill Capital Overseas is general partner of Glenhill Capital Overseas Master Fund, LP. The Schedule 13G further indicates that 9,000,000 shares of our common stock were beneficially owned by Glenhill, as to which (i) Glenhill Advisors has sole voting and

dispositive power with respect to 3,000,000 shares, (ii) Mr. Krevlin has sole voting and dispositive power with respect to 3,000,000 shares and (iii) Glenhill Capital Overseas has sole voting and dispositive power with respect to 3,000,000 shares. The business address of each of Glenhill Advisors, Mr. Krevlin and Glenhill Capital Overseas is 598 Madison Avenue, 12th Floor, New York, NY 10022.

(5) Represents shares held by Lehman (Cayman Islands) Ltd., a wholly owned subsidiary of Lehman Brothers Holdings, Inc. The business address of Lehman Brothers Holdings, Inc. is 745 Seventh Avenue New York, New York 10019.

(6) Includes 407,615 shares of Freedom common stock included in Freedom units held by certain GLG Funds. Each of the Principals, Messrs. Gottesman, Roman and Lagrange, serves as a Managing Director of GLG Partners Limited, the general partner of GLG Partners LP. GLG Partners LP serves as the investment manager of the GLG Funds that have invested the 407,615 units. GLG Partners LP, as investment manager of these GLG Funds, may be deemed the beneficial owner of all of our securities owned by these GLG Funds. GLG Partners Limited, as general partner of GLG Partners LP, may be deemed the beneficial owner of all of our securities owned by these GLG Funds. Each of the Principals, as a Managing Director of GLG Partners Limited with power to exercise investment discretion, may be deemed the beneficial owner of all of our securities owned by these GLG Funds. Each of GLG Partners LP, GLG Partners Limited and the Principals disclaims beneficial ownership of any of these securities, except for their pecuniary interest therein.

(7) Mr. Berggruen is a director of Berggruen Holdings and BAH and may be considered to have beneficial ownership of Berggruen Holdings interests in us.

(8) Mr. Morey will resign effective upon consummation of the acquisition due to auditor independence issues.

(9) Upon consummation of the co-investment and the acquisition, each of Berggruen Holdings and Marlin Equities and Messrs. Ashken, Berggruen and Franklin will beneficially own % of our outstanding shares. All of the shares of Freedom common stock that Messrs. Ashken, Berggruen and Franklin will be deemed to beneficially own and control will be owned indirectly through their respective affiliates. Neither Messrs. Ashken, Berggruen nor Franklin directly owns or controls any shares of Freedom common stock.

(10) Includes 14,850,000 and 9,900,000 shares of Freedom common stock expected to be beneficially owned by Sage Summit LP and Lavender Heights Capital LP, respectively. The Trustees are the directors of the general partner of each of these limited partnerships. Also includes 10,000,000 shares of Freedom common stock to be allocated to GLG employees and key personnel, as well as certain other individuals. The Principals may be deemed beneficial owners of the foregoing shares. Each of the Principals disclaims beneficial ownership of any of these securities.

(11) Includes 58,904,993 Exchangeable Shares of FA Sub 2 Limited and 58,904,993 associated shares of Freedom Series A preferred stock expected to be beneficially owned by the Gottesman GLG Trust, which will be exchangeable by the holder at any time and from time to time following the consummation of the acquisition into 58,904,993 shares of our common stock. Each share of Series A preferred stock will be automatically redeemed upon the exchange of an Exchangeable Share.

(12) Includes 18,699,995 shares of Freedom common stock expected to be beneficially owned by the Roman GLG Trust.

(13) Includes 58,904,993 shares of Freedom common stock expected to be beneficially owned by the Lagrange GLG Trust.

In connection with the vote required for our initial business combination, each of our founders has agreed to vote the shares of common stock acquired by it before our initial public offering in accordance with the majority of the shares of common stock voted by the public stockholders. Each of our founders has also agreed to vote any shares acquired by it in or after our initial public offering in favor of our initial business combination. Therefore, if such entity acquires shares in or after our initial public offering, it must vote such shares in favor of the proposed business combination and has, as a result, waived the right to exercise

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redemption rights for those shares in the event that our initial business combination is approved by a majority of our public stockholders.

INDEPENDENT AUDITORS

Representatives of Freedom s independent registered public accounting firm, Rothstein, Kass & Company P.C., will be present at the special meeting of the stockholders. The representatives will have the opportunity to make a statement if they so desire and are expected to be available to respond to appropriate questions.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the SEC as required by the Exchange Act.

You may read and copy reports, proxy statements and other information filed by us with the SEC at the SEC s public reference room located at 100 F Street, N.E., Washington, D.C. 20549.

You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also obtain copies of the materials described above at prescribed rates by writing to the SEC, Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549.

We file our reports, proxy statements and other information electronically with the SEC. You may access information on Freedom at the SEC web site containing reports, proxy statements and other information at: http://www.sec.gov.

Information and statements contained in this proxy statement, or any annex to this proxy statement, are qualified in all respects by reference to the copy of the relevant contract or other annex filed with this proxy statement.

All information contained in this proxy statement relating to Freedom has been supplied by Freedom, and all such information relating to GLG has been supplied by GLG. Information provided by either of Freedom or GLG does not constitute any representation, estimate or projection of the other.

If you would like additional copies of this proxy statement, or if you have questions about the acquisition, you should contact:

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Report of Independent Registered Public Accounting Firm

TO *the Directors and existing equity holders (Principals, Trustees and Non-Controlling Interest Holders) of GLG Partners LP, GLG Partners Limited, GLG Holdings Limited, GLG Partners Asset Management Limited, GLG Partners Services LP, GLG Partners Services Limited, GLG Partners (Cayman) Limited, GLG Partners Corp, Laurel Heights LLP, Lavender Heights LLP, Mount Granite Limited, Mount Garnet Limited, Albacrest Corporation and Betapoint Corporation*

We have audited the accompanying combined balance sheets of the entities listed above as of December 31, 2006 and 2005, and the related combined statements of operations, changes in members equity and cash flows for each of the three years in the period ended December 31, 2006. These financial statements are the responsibility of the management of the above listed entities. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States (US)). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the internal control over financial reporting of the above listed entities. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting of the above listed entities. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the above listed entities at December 31, 2006 and 2005, and the combined results of their operations and their combined cash flows for each of the three years in the period ended December 31, 2006, in conformity with US generally accepted accounting principles.

/s/ Ernst & Young LLP

London, England
August 24, 2007

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GLG

COMBINED BALANCE SHEETS
(US dollars in thousands)

	As of June 30, 2007 (Unaudited)	As of December 31, 2006	2005
Assets			
Current Assets			
Cash and cash equivalents	$ 130,268	$ 273,148	$ 236,261
Fees receivable	380,157	251,963	246,179
Prepaid expenses and other assets	27,418	25,944	9,385
Total Current Assets	**537,843**	**551,055**	**491,825**
Non-Current Assets			
Investments	154	201	225
Property and equipment (net of accumulated depreciation and amortization of $10,972, $10,117 and $8,243 respectively)	8,980	6,121	3,290
Total Non-Current Assets	**9,134**	**6,322**	**3,515**
Total Assets	**$ 546,977**	**$ 557,377**	**$ 495,340**
Liabilities and Members Equity			
Current Liabilities			
Rebates and sub-administration fees payable	$ 26,147	$ 19,146	$ 15,436
Accrued compensation and benefits	47,702	102,507	247,745
Income taxes payable	29,130	25,094	21,712
Distributions payable	70,694	9,310	1,125
Accounts payable and other accruals	16,388	19,716	14,723
Other liabilities	3,653	5,100	
Total Current Liabilities	**193,714**	**180,873**	**300,741**
Non-Current Liabilities			
Loan payable	13,000	13,000	13,000
Minority Interest	1,958	1,552	1,370
Total Non-Current Liabilities	**14,958**	**14,552**	**14,370**
Commitments and Contingencies			
Total Liabilities	**208,672**	**195,425**	**315,111**
Members Equity			
Members equity	334,594	359,046	179,167
Accumulated other comprehensive income	3,711	2,906	1,062

Total Members Equity	**338,305**	**361,952**	**180,229**
Total Liabilities and Members Equity	**$ 546,977**	**$ 557,377**	**$ 495,340**

The accompanying notes are an integral part of these combined financial statements.

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GLG

COMBINED STATEMENTS OF OPERATIONS
(US dollars in thousands)

	Six Months Ended June 30,		Years Ended December 31,		
	2007 (Unaudited)	2006 (Unaudited)	2006	2005	2004
Net revenues and other income					
Management fees, net	$ 120,334	$ 82,971	$ 186,273	$ 137,958	$ 138,988
Performance fees, net	343,032	175,946	394,740	279,405	178,024
Administration fees, net	26,680	15,921	34,814	311	
Transaction charges				184,252	191,585
Other	970	2,023	5,039	1,476	6,110
Total net revenues and other income	**491,016**	**276,861**	**620,866**	**603,402**	**514,707**
Expenses					
Employee compensation and benefits	(81,566)	(114,459)	(168,386)	(345,918)	(196,784)
General, administrative and other	(53,743)	(27,285)	(68,404)	(64,032)	(42,002)
	(135,309)	**(141,744)**	**(236,790)**	**(409,950)**	**(238,786)**
Income from operations	**355,707**	**135,117**	**384,076**	**193,452**	**275,921**
Interest income, net	1,647	2,574	4,657	2,795	519
Income before income taxes	**357,354**	**137,691**	**388,733**	**196,247**	**276,440**
Income taxes	(28,286)	(13,000)	(29,225)	(25,345)	(48,372)
Net income	**329,068**	**124,691**	**359,508**	**170,902**	**228,068**
Less minority interest	(406)	(205)	(182)	(652)	(329)
Net income applicable to equity interest holders	$ 328,662	$ 124,486	$ 359,326	$ 170,250	$ 227,739

The accompanying notes are an integral part of these combined financial statements.

GLG

COMBINED STATEMENTS OF CHANGES IN MEMBERS EQUITY
(US dollars in thousands)

	Members Equity	Accumulated Other Comprehensive Income	Total Members Equity
Balance as of January 1, 2004	**$ 110,903**	**$ 1,819**	**$ 112,722**
Comprehensive income			
Net income attributable to Members	227,739		227,739
Foreign currency translation		718	718
Total comprehensive income	227,739	718	228,457
Distributions to Principals and Trustees	(223,199)		(223,199)
Distributions to Non-Controlling Interest Holders			
Balance as of December 31, 2004	**115,443**	**2,537**	**117,980**
Comprehensive income			
Net income attributable to Members	170,250		170,250
Foreign currency translation		(1,475)	(1,475)
Total comprehensive income	170,250	(1,475)	168,775
Capital contributions	5		5
Distributions to Principals and Trustees	(106,531)		(106,531)
Distributions to Non-Controlling Interest Holders			
Balance as of December 31, 2005	**179,167**	**1,062**	**180,229**
Comprehensive income			
Net income attributable to Members	359,326		359,326
Foreign currency translation		1,844	1,844
Total comprehensive income	359,326	1,844	361,170
Capital contributions	914		914
Distributions to Principals and Trustees	(165,705)		(165,705)
Distributions to Non-Controlling Interest Holders	(14,656)		(14,656)
Balance as of December 31, 2006	**359,046**	**2,906**	**361,952**
(unaudited)			
Comprehensive income			
Net income attributable to Members	328,662		328,662
Foreign currency translation		805	805
Total comprehensive income	328,662	805	329,467
Net Return of Capital	(2)		(2)
Distributions to Principals and Trustees	(145,069)		(145,069)

Distributions to Non-Controlling Interest Holders	(208,043)		(208,043)
Balance as of June 30, 2007	**$ 334,594**	**$ 3,711**	**$ 338,305**

The accompanying notes are an integral part of these combined financial statements.

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GLG

COMBINED STATEMENTS OF CASH FLOWS
(US dollars in thousands)

	Six Months Ended June 30,		Years Ended December 31,		
	2007 (Unaudited)	2006 (Unaudited)	2006	2005	2004
Cash Flows From Operating Activities					
Net income	$ 329,068	$ 124,691	$ 359,508	$ 170,902	$ 228,068
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	855	695	1,874	1,685	2,347
Cash flows due to changes in					
Fees receivable	(128,194)	47,969	(5,784)	(82,944)	(24,132)
Investments	47	30	24	34	(25)
Prepaid expenses and other assets	(1,474)	(2,946)	(16,559)	(3,006)	5,657
Rebates and sub-administration fees payable	7,001	2,763	3,710	6,201	(1,358)
Accrued compensation and benefits	(54,805)	(165,791)	(145,238)	121,894	100,812
Income taxes payable	4,036	(11,460)	3,382	(9,901)	(3,025)
Distributions payable			8,185		1,125
Accounts payable and other accruals	(3,328)	7,711	4,993	3,654	(13,378)
Other liabilities	(1,447)	5,000	5,100		
Net cash provided by operating activities	**151,759**	**8,662**	**219,195**	**208,519**	**296,091**
Cash Flows From Investing Activities					
Purchase of property and equipment	(3,714)	(657)	(4,704)	(634)	(2,887)
Net cash used in investing activities	**(3,714)**	**(657)**	**(4,704)**	**(634)**	**(2,887)**
Cash Flows From Financing Activities					
Capital contributions	(2)	502	914	5	
Distributions to Principals and Trustees	(145,069)	(148,533)	(165,706)	(106,531)	(222,074)
Distributions to Non-Controlling Interest Holders	(146,659)		(14,656)		
Net cash used in financing activities	**(291,730)**	**(148,031)**	**(179,448)**	**(106,526)**	**(222,074)**
Net (decrease) increase in cash and cash equivalents	**(143,685)**	**(140,026)**	**35,043**	**101,359**	**71,130**
Effect of foreign currency translation on cash	805	1,437	1,844	(1,476)	(407)
Cash and cash equivalents at beginning of period	273,148	236,261	236,261	136,378	65,655

Cash and cash equivalents at end of period	**$**	**130,268**	**$**	**97,672**	**$**	**273,148**	**$**	**236,261**	**$**	**136,378**
Supplementary cash flow disclosure										
Interest paid	$	(358)	$	(404)	$	(766)	$	(534)	$	(291)
Income taxes paid		(24,250)		(24,460)		(22,754)		(35,245)		(51,397)

The accompanying notes are an integral part of these combined financial statements.

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GLG
Notes to the Combined Financial Statements
(US Dollars in thousands)

1. Organization and Basis of Presentation

GLG is a leading alternative asset manager based in London which offers its clients a broad range of investment products and account management services. GLG s primary business is to provide investment management advisory services for various investment funds and companies (the GLG Funds). GLG derives revenue primarily from management fees and administration fees charged to the GLG Funds and accounts it manages based on the value of assets in these funds and accounts, and performance fees charged to the GLG Funds and accounts it manages based on the performance of these funds and accounts. GLG was founded in September 1995 as a division of Lehman Brothers International (Europe) and became a separate legal entity in September 2000, with a subsidiary of Lehman Brothers Holdings Inc. initially holding a 20% (currently 15.3%) minority interest in GLG. Lehman is amongst a wide range of service providers who provide, on an arm s-length basis, brokering and other services to GLG s Funds.

GLG is comprised of all of the entities (the GLG Entities) engaged in the above business under common control or management of the three managing directors of GLG, Noam Gottesman, Pierre Lagrange and Emmanuel Roman (the Principals) and Leslie J. Schreyer in his capacity as trustee of the Gottesman GLG Trust, G&S Trustees Limited, in its capacity as trustee of the Lagrange GLG Trust and Jeffrey A. Robins, in his capacity as trustee of the Roman GLG Trust (the Trustees), which are trusts established by each of the principals for the benefit of himself and his respective family. In particular, the GLG Entities combined in these financial statements are GLG Partners LP, GLG Partners Limited, GLG Holdings Limited, GLG Partners Asset Management Limited, GLG Partners Services LP, GLG Partners Services Limited, GLG Partners (Cayman) Limited, GLG Partners Corp, Laurel Heights LLP, Lavender Heights LLP, Mount Granite Limited, Mount Garnet Limited, GLG Holdings Inc., GLG Inc, Albacrest Corporation, Betapoint Corporation, Sage Summit LP, Sage Summit Ltd, Blue Hill Summit Ltd, Lavender Heights Capital LP and Green Hill Summit Ltd.

Beginning in mid-2006, GLG entered into partnership with a number of its key personnel in recognition of their importance in creating and maintaining the long-term value of GLG. These individuals ceased to be employees and either became holders of direct or indirect limited partnership interests in GLG or formed two limited liability partnerships (LLPs) through which they provide services to GLG. Through these partnership interests and under the terms of service agreements between GLG and the LLPs, these individuals are entitled to a priority drawing and an additional share of the profits earned by certain GLG Entities. Such individuals are referred to as Non-Controlling Interest Holders .

In March and June 2007, Laurel Heights LLP and Lavender Heights LLP issued equity interests to two limited partnerships, Sage Summit LP and Lavender Heights Capital LP, respectively, in which certain key personnel of GLG became holders of indirect limited partnership interests in GLG. Pursuant to a Sharing Agreement among certain equity holders of the GLG Entities, Sage Summit LP and Lavender Heights Capital LP are entitled, through their equity interests in Laurel Heights LLP and Lavender Heights LLP to receive 15% collectively of the proceeds derived from an initial public offering relating to GLG or a third party sale of GLG.

These combined financial statements are presented in US Dollars ($) prepared under US generally accepted accounting principles (US GAAP) in connection with the proposed acquisition of GLG by Freedom Acquisition Holdings Inc. (Freedom) a US listed Special Purpose Acquisition Company as described in Note 10. This transaction contemplates that Freedom will be the ultimate parent company of the GLG Entities.

GLG operates in one business segment, the management of global funds and accounts. GLG uses a multi-strategy approach, offering over forty funds across equity, credit convertible and emerging markets products. GLG has determined that it does not own a substantive, controlling interest in any of the investment funds it manages and as a result no investment funds are required to be consolidated by GLG.

GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

The condensed combined financial statements as of June 30, 2007 and for the six months ended June 30, 2006 and 2007 are unaudited and, in the opinion of management, contain all adjustments (consisting only of adjustments of a normal recurring nature) necessary to present fairly the financial position, results of operations and cash flows of GLG. Operating results for the six months ended June 30, 2007 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2007.

2. Summary of Significant Accounting Policies

Principles of Combination

These financial statements combine those entities in which the three Principals and the Trustees have control over significant operating, financial or investing decisions of the entity. GLG combines certain entities it controls through a majority voting interest or otherwise in which the managing partners are presumed to have control over them pursuant to FASB Emerging Issues Task Force (EITF) Issue No. 04-5, *Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights* (EITF 04-5). All intercompany transactions and balances among the GLG Entities have been eliminated.

Minority Interest relates to the equity of GLG Holdings Inc. and GLG Inc., entities in which GLG does not own any interests.

Members Equity is a combination of equity ownerships of Principals, Trustees and Non-Controlling Interest Holders of the GLG Entities.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues, expenses and other income during the reporting periods. Actual results could differ materially from those estimates.

Revenue Recognition

Management fees are calculated as a percentage of net assets under management in the funds managed by GLG based upon the contractual terms of investment advisory and related agreements and recognized as earned as the related services are performed. These fees are generally payable on a monthly basis, one month in arrears.

Performance fees are calculated as a percentage of investment gains (which includes both realized and unrealized gains) less management and administration fees, subject in certain cases to performance hurdles, over a measurement period, generally six months. GLG has elected to adopt the preferred method of recording performance fee income, Method 1 of EITF Topic D-96, *Accounting for Management Fees Based on a Formula* (Method 1). Under Method 1, GLG does not recognize performance fee revenues and related compensation until the end of the measurement period when the amounts are contractually payable, or crystallized.

The majority of the investment funds and accounts managed by GLG have contractual measurement periods that end on each of June 30 and December 31. As a result, the performance fee revenues for GLG s first fiscal quarter and third fiscal quarter results do not reflect revenues from uncrystallized performance fees during these three-month periods and will be reflected instead at the end of the fiscal quarter in which such fees crystallize.

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GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

In certain cases, GLG may rebate a portion of its gross management and performance fees in order to compensate third-party institutional distributors for marketing GLG products and, in a limited number of cases, in order to incentivize clients to invest in funds managed by GLG. Such arrangements are generally priced at a portion of GLG s management and performance fees paid by the fund. GLG accounts for rebates in accordance with EITF No. 99-19 *Reporting Revenue Gross as a Principal versus Net as an Agent* (EITF 99-19), and has recorded its revenues net of rebates. In addition most funds managed by GLG have share classes with distribution fees that are paid to third party institutional distributors.

Administration fees are calculated in a similar basis as management fees and are recognized as revenue as the related services are performed. From its gross administration fees, GLG pays sub-administration fees to third-party administrators and custodians. In accordance with EITF 99-19 the administration fees are recognized net of sub-administration fees.

Rebates and sub-administration fees on the balance sheet represent amounts payable under the rebate and sub-administration fee arrangements described above.

Prior to 2005, GLG levied transaction charges on certain of the funds it managed, with respect to certain investment types, on a per-trade basis. Beginning in 2005, GLG ceased levying transaction charges and increased administration fee rates for these funds, which now include a portion retained by GLG. This transition was effected on a fund-by-fund basis, with GLG ceasing to levy transaction charges on all funds by the end of 2005, and administration fees being introduced to the majority of the funds managed by GLG in 2006.

Where a single-manager alternative strategy fund or internal FoHF managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG, the investing fund is the top-level GLG Fund into which a client invests and the investee fund is the underlying GLG Fund into which the investing fund allocates funds for investment. When one of the single-manager alternative strategy funds or internal FoHFs managed by GLG invests in an underlying single-manager alternative strategy fund managed by GLG:

management fees are charged at the investee fund level. In addition, management fees are charged on the following GLG Funds at the investing fund level: (1) GLG Multi Strategy Fund; and (2) Prime GLG Diversified Fund;

performance fees are charged at the investee fund level. In addition, performance fees are charged on the following GLG Funds at the investing fund level: (1) Prime GLG Diversified Fund; and (2) GLG Global Aggressive Fund to the extent that the performance fee at the investing fund level exceeds the performance fee at the investee fund level; and

administration fees are charged at both the investing and investee fund levels.

Employee compensation and benefits

The components of employee compensation and benefits are:

Base compensation fixed contractual base payments made to personnel. This compensation is paid to employees in the form of base salary. Base compensation is generally paid monthly and the expense is recognized as the amounts are paid.

Variable compensation payments that arise from the contractual entitlements of personnel to a fixed percentage of certain variable fee revenues attributable to such personnel with respect to GLG Funds and managed accounts. These amounts are paid to employees in the form of variable salary. Variable compensation expense is recognized at the same time as the underlying fee revenue is crystallized,

GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

which may be monthly or semi-annually (on June 30 and December 31), depending on the fee revenue source.

Discretionary compensation payments that are determined by GLG s management in its sole discretion and are generally linked to performance of GLG and to performance of the individual during the year. In determining such payments, GLG s management considers, among other factors, the ratio of total discretionary compensation to total revenues; however, this ratio may vary between periods and, in particular, significant discretionary bonuses may still be paid in a period of low performance for personnel retention and incentivization purposes. This discretionary compensation is paid to employees in the form of a discretionary cash bonus. Discretionary compensation is generally declared and paid following the end of each calendar year. However, the notional discretionary compensation charge accrual is adjusted monthly based on the year-to-date profitability and revenues recognized on a year-to-date basis. As the majority of funds crystallize their performance fees at June 30 and December 31, the majority of discretionary compensation expense is generally crystallized at year end and typically paid in January following year end.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and highly liquid investments including money market accounts with original maturities of three months or less. Due to the short term nature of these deposits and investments, their carrying values approximate their fair values.

Investments

Investments represent GLG s initial capital contribution made to certain GLG Funds. The investments are recorded at cost, which approximates to their fair value. GLG does not have significant influence over these investments.

Property and Equipment

Property and Equipment consists of furniture, fixtures, equipment, computer hardware and software, and leasehold improvements and are recorded at cost less accumulated depreciation and amortization. Depreciation is recognized on a straight-line basis over the estimated useful lives:

	Useful Lives
Furniture	5 years
Equipment	5 years
Leasehold Improvements	10 years or remaining lease term, whichever is shorter

Fair Value of Financial Instruments

Financial instruments consist of cash, cash equivalents, investments, fees receivable, rebates and sub-administration fees payable, accrued compensation and benefits, income taxes payable, distributions payable, accounts payable and other accruals, other liabilities and loan payable. The carrying amounts of these financial instruments approximates their fair values due either to their short-term nature or, in the case of loan payable, to the variable interest rate that

approximates prevailing market rates.

Foreign Currency Transactions and Translations

Transactions denominated in currencies other than the functional currency of the related entity are recorded by remeasuring them in the functional currency of the related entity using the foreign exchange rate on the date of the transaction. At the dates of the combined balance sheets, monetary assets and liabilities,

GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

such as receivables and payables, are reported using the period-end spot foreign exchange rates. Foreign exchange rate differences are recorded in the combined statement of operations.

For the purpose of consolidation, the assets and liabilities of the GLG Entities with functional currencies other than US Dollars are translated into US Dollar equivalents using period-end spot foreign exchange rates, whereas revenues and expenses are translated using the weighted-average foreign exchange rate for the period. Translation adjustments arising from consolidation are included in Accumulated other comprehensive income (AOCI) within Total Members Equity.

Comprehensive Income

Comprehensive Income consists of Net Income and Other Comprehensive Income. GLG s Other Comprehensive Income is comprised of foreign currency cumulative translation adjustments. This relates to GLG Entities whose functional currencies are not in US Dollars. There was no income tax expense related to items of other comprehensive income.

Interest Income, net

Interest income and expense are recognized on the accruals basis.

Income Taxes

Certain of the GLG Entities combined in these financial statements are subject to UK, Irish and US income taxes. GLG accounts for these taxes using the asset and liability method in accordance with Statement of Financial Accounting Standards (SFAS) No. 109 (SFAS 109), *Accounting for Income Taxes* under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is established when management believes it is more likely than not that some or all of the deferred tax asset will not be realized.

Distributions

Distributions by GLG to Principals and Trustees are recognized when declared. Distributions to Non-Controlling Interest Holders consist of a priority drawing, which is recognized in the period in which it is payable and an additional profit share, which is recognized in the period in which it is declared.

Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board (the FASB) issued SFAS No. 123 (R), *Share-Based Payment* (SFAS 123 (R)), which requires all equity-based payments to employees to be recognized using a fair value based method. On January 1, 2006, GLG adopted SFAS 123 (R) using the modified prospective method. The adoption of SFAS 123 (R) did not have a material impact on GLG s historical combined financial statements as GLG had not issued any equity-based awards prior to December 31, 2006.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* (SFAS 157). SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 applies to reporting periods beginning after November 15, 2007. The adoption of SFAS 157 is not expected to have a material impact on GLG s financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS 159). SFAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value, with changes in fair value recognized in earnings. SFAS 159

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GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

applies to reporting periods beginning after November 15, 2007. GLG is currently evaluating the potential effect on its financial condition, liquidity and results of operations upon adoption of SFAS 159.

In June 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, an interpretation of FASB Statement No. 109 (FIN 48). FIN 48 requires companies to recognize the tax benefits of uncertain tax positions only where the position is more likely than not to be sustained assuming examination by tax authorities. The tax benefit recognized is the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. FIN 48 is effective for fiscal years beginning after December 15, 2006. The adoption of FIN 48 did not have a material impact on GLG s combined financial statements.

In February 2006, the FASB issued SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments* (SFAS 155), which amends SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133) and SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (SFAS 140). SFAS 155 provides, among other things, that (1) for embedded derivatives which would otherwise be required to be bifurcated from their host contracts and accounted for at fair value in accordance with SFAS 133, an entity may make an irrevocable election, on an instrument-by-instrument basis, to measure the hybrid financial instrument at fair value in its entirety, with changes in fair value recognized in earnings and (2) concentrations of credit risk in the form of subordination are not considered embedded derivatives. SFAS 155 is effective for all financial instruments acquired, issued or subject to re-measurement after the beginning of an entity s first fiscal year that begins after September 15, 2006. Upon adoption, differences between the total carrying amount of the individual components of an existing bifurcated hybrid financial instrument and the fair value of the combined hybrid financial instrument should be recognized as a cumulative effect adjustment to beginning retained earnings. Prior periods are not restated. The adoption of SFAS 155 is not expected to have a material impact on GLG s financial statements.

On September 13, 2006 the staff of the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 108 (SAB 108), which provides interpretive guidance on how the effects of the carryover or reversal of prior year misstatements should be considered in quantifying a current year misstatement. SAB 108 is effective for fiscal years ending after November 15, 2006. The adoption of SAB 108 did not have a material impact on GLG s combined financial statements.

3. Investments

GLG owns subscriber shares in each of the following funds it manages, namely GLG Investments Plc, GLG Investments III Plc and GLG Investments IV Plc. GLG also owns at nil par value subscriber shares in GLG Global Convertible Fund Plc, GLG Investments V Plc, GLG Global Opportunity Fund Plc and Prime GLG Diversified Fund Plc. GLG also owns management shares in GLG MMI Enhanced II Fund. These investments have been translated using the period-end exchange rate and are recorded at cost which approximates to their fair value.

GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

4. Property and Equipment, net

Property and equipment, net consist of the following:

	June 30, 2007 (Unaudited)	December 31, 2006	December 31, 2005
Furniture and Fixtures, net	$ 1,205	$ 1,732	$ 949
Computer and Equipment, net	3,326	2,455	621
Leasehold Improvements, net	2,394	1,096	916
Other Assets, net	2,055	838	804
	$ 8,980	$ 6,121	$ 3,290

Accumulated depreciation and amortization totaled $8,243 and $10,117 as of December 31, 2005 and 2006, respectively, and $10,972 as of June 30, 2007. Depreciation and amortization expenses totaled $2,347, $1,685 and $1,874 for the years ended December 31, 2004, 2005 and 2006, respectively and $695 and $855 for the six months ended June 30, 2006 and 2007, respectively.

5. Loan Payable

GLG Holdings Limited entered into a credit facility in the principal amount of $13,000 on October 29, 2002 with the Bank of New York. Interest on the loan is payable quarterly at the annual rate of LIBOR plus 75 basis points. The loan is repayable in four equal quarterly installments of $3,250. The first installment was originally due on January 29, 2007; however the facility was extended on February 28, 2007 for another five years under the same terms and conditions and the repayment will commence effective January 29, 2012.

The loan is secured by a pledge of substantially all of the assets of GLG Holdings Limited and there are fixed charges on the future revenue streams of certain GLG Entities.

	Six Months Ended June 30, 2007 (Unaudited)	Years Ended December 31, 2006	Years Ended December 31, 2005
Average interest rates for the period	6.10%	5.89%	4.11%

Scheduled principal payments for long-term borrowings at December 31, 2006 are as follows:

2007	$

2008	
2009	
2010	
2011	
Thereafter	13,000
	$ 13,000

6. Commitments and Contingencies

GLG is involved in three regulatory investigations, all of which are substantially completed. In addition, GLG, in the ordinary course, responds to a variety of regulatory inquiries.

On November 23, 2006 and June 21, 2007, the Autorité des Marchés Financiers (AMF) imposed fines of 1.2 million ($1,600) and 1.5 million ($2,000) against GLG in connection with GLG s trading in the shares of Alcatel S.A. (Alcatel) prior to a December 12, 2002 issuance of Alcatel convertible securities and

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GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

in Vivendi Universal S.A. (Vivendi) prior to a November 14, 2002 issuance of Vivendi convertible securities. GLG has appealed these decisions.

On May 29, 2007, GLG agreed to pay a civil penalty of $500 and disgorgement and interest of approximately $2,704 to settle enforcement and civil actions brought by the SEC for illegal short selling. GLG did not admit or deny the findings, but consented to the SEC order finding that GLG violated Rule 105 of Regulation M under the Exchange Act in connection with 14 public offerings and a final judgment in the civil action in the United States District Court for the District of Columbia.

In March 2006, an employee resigned from GLG. In July 2006, the individual filed a claim for unfair dismissal against GLG. In May 2007, the dispute was concluded with the individual by way of a settlement agreement. The overall terms of the settlement were that the individual would withdraw his tribunal proceedings and that GLG would pay the individual $15,000 in respect of accrued employment obligations and separately a further $1,500 per quarter for the next five quarters for providing certain services to GLG. In these combined financial statements we have accrued the $15,000 paid in May 2007 and will be recognizing the separate consulting fees as the services are rendered.

GLG has provided for the amounts set forth above as Other liabilities within Current Liabilities.

Indemnifications

In the normal course of business, GLG and its subsidiaries enter into operating contracts that contain a variety of representations and warranties and that provide general indemnifications. GLG s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against GLG that have not yet occurred. However, based on experience, GLG expects the risk of material loss to be remote.

Operating Leases

GLG has annual commitments under non-cancellable operating leases for office space located in London, UK, George Town, Cayman Islands, and New York, US which expire on various dates through 2018. The minimum future rental expense under these leases is as follows:

Year Ended December 31,	
2007	$ 4,287
2008	4,287
2009	4,339
2010	4,339
2011	4,339
Thereafter	27,877
	$ 49,468

Rent expenses are recognized on a straight-line basis during the years ended December 31, 2006, 2005 and 2004 were $7,485, $6,239 and $5,096 respectively.

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GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

7. Net Revenues

Net management fees, net performance fees, net administration fees are derived as follows:

	Six Months Ended June 30,		Year Ended December 31,		
	2007 (Unaudited)	2006 (Unaudited)	2006	2005	2004
Gross management fees	143,978	101,567	224,548	162,756	152,126
Management fee rebates	(23,644)	(18,596)	(38,275)	(24,798)	(13,138)
Net management fees	120,334	82,971	186,273	137,958	138,988
Gross performance fees	352,080	180,141	402,512	285,338	181,929
Performance fee rebates	(9,048)	(4,195)	(7,772)	(5,933)	(3,905)
Net performance fees	343,032	175,946	394,740	279,405	178,024
Gross administration fees	31,774	19,024	42,532	4,872	3,894
Sub-administration fees	(5,094)	(3,103)	(7,718)	(4,561)	(3,894)
Net administration fees	26,680	15,921	34,814	311	0

GLG does not collect data on the geographical location of investors and, therefore, it is impracticable to provide a geographical analysis of revenues.

8. Income Taxes

GLG Entities are subject to income tax of the countries (UK, Ireland and US) in which they conduct business. Since 2004, the income taxes charged geographically are as follows:

	Six Months Ended June 30,		Year Ended December 31,		
	2007 (Unaudited)	2006 (Unaudited)	2006	2005	2004
UK Income Taxes	$ 27,625	$ 12,675	$ 28,767	$ 24,551	$ 47,952
Irish Income Taxes	256	140	313	203	149
US Income Taxes	405	185	145	591	271
Total Income Taxes	$ 28,286	$ 13,000	$ 29,225	$ 25,345	$ 48,372

GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

The following table is a reconciliation of income taxes computed at the standard UK corporation tax rate to the income tax charge:

	Six Months Ended June 30,		Year Ended December 31,		
	2007 (Unaudited)	2006 (Unaudited)	2006	2005	2004
Profit before tax	$ 357,354	$ 137,691	$ 388,733	$ 196,247	$ 276,440
Tax charge at UK corporation tax rate (30)%	107,206	41,308	116,620	58,874	82,932
Factors affecting charge:					
Overseas tax rate differences	(22,402)	(13,037)	(27,557)	(35,185)	(36,118)
Disallowed and non-taxable items	632	188	841	1,656	1,558
Pass through to Non-Controlling Interest Holders	(57,150)	(15,459)	(60,679)		
Tax on profit on ordinary activities	**$ 28,286**	**$ 13,000**	**$ 29,225**	**$ 25,345**	**$ 48,372**
Effective Income Tax Rate	7.92%	9.44%	7.52%	12.91%	17.49%

The effective income tax rate differs based on the location of the GLG Entities and the local tax regulations applying in those countries. This has resulted in an overseas tax rate difference. Non-Controlling Interest Holders are individually responsible for reporting and paying taxes on distributions received by them from GLG and as such these distributions are not subject to tax at the GLG level.

The UK tax returns for certain GLG Entities for the year ended December 31, 2005, based upon which GLG paid taxes of $24,551 are still subject to examination by the UK tax authorities. The tax returns for the year ended December 31, 2006, based upon which GLG expects to pay taxes of $28,767 have not been filed yet with the UK tax authorities.

9. Employee Benefit Plans

GLG provides a defined contribution plan for eligible employees in the UK. All UK employees are eligible to contribute to the plan after three months of qualifying service. GLG contributes a percentage of the employee s annual salary, subject to UK statutory restrictions, on a monthly basis. For the years ended December 31, 2006, 2005 and 2004, GLG incurred expenses of $1,049, $1,198 and $994 respectively in connection with this plan. For the six months ended June 30, 2007, GLG incurred expenses of $427 in connection with this plan.

10. Regulated Entities

Certain GLG Entities are registered with, and subject to the capital requirements of, the UK Financial Services Authority, Cayman Islands Monetary Authority and Irish Financial Services Regulatory Authority. These entities have continuously operated in excess of their regulated capital requirements.

These regulatory capital requirements may restrict GLG s ability to withdraw capital from its entities. At June 30, 2007 approximately $47,000 of net assets of consolidated entities may be restricted as to the payment of distributions and advances.

11. Related Parties

A subsidiary of Lehman Brothers Holdings Inc. owns approximately 15.3% of GLG s equity.

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GLG
Notes to the Combined Financial Statements (continued)
(US Dollars in thousands)

The non-voting stock of a number of GLG entities combined in these financial statements are pledged to Lehman Brothers Bankhaus AG as security on loans to current and prior GLG principals. The loans require that all dividends paid on the non-voting shares be applied to the repayment of the loans.

Lehman Brothers Holdings Inc. and its affiliates (collectively, Lehman Brothers) acts as a broker, prime broker, derivatives counterparty and stock lending agent to certain of the GLG Funds and managed accounts on an arm s-length basis.

Lehman Brothers distributes GLG Funds through its private client sales force, and GLG rebates to Lehman Brothers, on an arm s-length basis, certain of the fees that it receives from the GLG Funds in relation to these investments. The annual charge to GLG was approximately $3,842, $2,347 and $1,945 in 2006, 2005 and 2004, respectively, and $2,860 and $1,670 for the six months ended June 30, 2007 and 2006, respectively.

Lehman Brothers also provides payroll services to GLG and has agreed to provide GLG with disaster recovery support, such as office space. The annual charge to GLG was approximately $76, $81 and $63 in 2006, 2005 and 2004, respectively, and $39 for each of the six months ended June 30, 2007 and 2006.

Leslie J. Schreyer, who in his capacity as Trustee of the Gottesman GLG Trust is a member of the group of individuals that exercise common control over the GLG Entities, serves as legal counsel and adviser to GLG Partners Services LP on a part-time basis under a consulting agreement. The consulting agreement provides for an annual base salary of $1,500, of which $500 is paid in monthly installments and the balance is paid when bonuses are payable. Mr. Schreyer is also eligible to receive a bonus and other benefits, such as health insurance. Mr. Schreyer received total compensation of $3,200, $2,900 and $5,300 for 2006, 2005, and 2004, respectively, and $300 for each of the six months ended June 30, 2007 and 2006.

Jonathan Green, a shareholder in certain GLG Entities and a former Principal, was paid a consulting fee of $1,000 for each of 2006, 2005, and 2004.

12. Subsequent Events

On June 13, 2007 GLG entered into in an agreement to purchase all of the shares of GLG Holdings Inc. for $2,500. The operations, assets and liabilities of GLG Holdings Inc. and its subsidiary GLG Inc. are combined in these financial statements, but the earnings and equity are reflected as minority interests as of December 31, 2005 and 2006 and June 30, 2007. The acquisition is subject to a number of conditions including GLG Inc. and/or GLG registering with the SEC as an Investment Adviser under the Investment Advisers Act 1940 to the extent required by applicable law, and all applicable regulatory approvals being obtained.

In June 2007 GLG s shareholders entered into a Purchase Agreement with Freedom and its subsidiaries under which Freedom will purchase 100% of the ownership interests in GLG for cash and shares of Freedom and a Freedom subsidiary (the Acquisition). The Acquisition is subject to a number of conditions including a vote of the shareholders of Freedom, certain financing being obtained and all applicable regulatory approvals being obtained. The Acquisition will be considered to be a reverse acquisition and recapitalization for accounting purposes. Under this method of accounting, GLG will be treated as the acquiring company and the Acquisition will be treated as the equivalent of GLG issuing stock for the net monetary assets of Freedom accompanied by a recapitalization of GLG. The net

monetary assets of Freedom, primarily cash, will be stated at their fair value, which will be equivalent to the carrying value, and accordingly no goodwill or other intangible assets will be recorded. A final determination of the estimated fair values will be based on the actual net monetary assets acquired as of the date of completion of the Acquisition.

In July 2007 GLG and the Principals received notification of a potential claim for damages from a former partner. The claim is at a preliminary stage and GLG, having taken legal advice, believes any such claim, if brought, to be without merit and will contest it vigorously. No provision has been made in these combined financial statements as any loss contingency is not reasonably estimable and is not expected to be material to GLG.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Freedom Acquisition Holdings, Inc.

We have audited the accompanying balance sheet of Freedom Acquisition Holdings, Inc. (a corporation in the development stage) (the Company) as of December 31, 2006 and the related statements of operations, stockholders equity and cash flows for the period from June 8, 2006 (date of inception) to December 31, 2006. These financial statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Freedom Acquisition Holdings, Inc. (a corporation in the development stage) as of December 31, 2006, and the results of its operations and its cash flows for the period from June 8, 2006 (date of inception) to December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

/s/ Rothstein, Kass & Company, P.C.
Roseland, New Jersey
February 27, 2007

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

BALANCE SHEET

	December 31, 2006
Assets	
Current asset, Cash	$ 599,369
Other asset, Cash held in trust account	466,707,382
	$ 467,306,751
Liabilities and Stockholders Equity	
Current liabilities	
Accrued expenses	$ 250
Accrued offering costs	250,483
Income taxes payable	127,355
Franchise tax payable	93,575
Notes payable, founding stockholders	250,000
Total current liabilities	721,663
Long-term liabilities, deferred underwriters fee	16,320,000
Common stock, subject to possible redemption, 9,595,200 shares at redemption value	93,247,353
Stockholders equity	
Preferred stock, $.0001 par value; 1,000,000 shares authorized; none issued Common stock, $.0001 par value, 200,000,000 shares authorized; 60,000,003 shares issued and outstanding (including 9,595,200 shares subject to possible redemption)	6,000
Additional paid-in capital	356,842,491
Income accumulated during the development stage	169,244
Total stockholders equity	357,017,735
	$ 467,306,751

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

STATEMENT OF OPERATIONS

For the period from June 8, 2006 (date of inception) to December 31, 2006

Interest income	$	390,574
Formation and operating costs		93,975
Income before provision for income taxes		296,599
Provision for income taxes		127,355
Net income	$	169,244
Approximate weighted average number of common shares outstanding, basic and diluted		13,012,000
Net income per common share, basic and diluted	$	.01

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

STATEMENT OF STOCKHOLDERS EQUITY

For the period from June 8, 2006 (date of inception) to December 31, 2006

	Common Stock Shares	Amount	Additional Paid-in Capital	Income Accumulated During the Development Stage	Total Stockholders Equity
Common shares and warrants issued to founders	12,000,003	$ 1,200	$ 23,800	$	$ 25,000
Issue of warrants in private placement			4,500,000		4,500,000
Sale of 48,000,000 units on December 28, 2006 at a price of $10 per unit, net of underwriter s discount and offering costs (including 9,595,200 shares subject to possible redemption)	48,000,000	4,800	445,566,044		445,570,844
Proceeds subject to possible redemption, 9,595,200 shares			(93,247,353)		(93,247,353)
Net income				169,244	169,244
Balances at December 31, 2006	60,000,003	$ 6,000	$ 356,842,491	$ 169,244	$ 357,017,735

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

STATEMENT OF CASH FLOWS

For the period from June 8, 2006 (date of inception) to December 31, 2006

Cash flows from operating activities		
Net income	$	169,244
Adjustment to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accrued expenses		250
Income taxes payable		127,355
Franchise tax payable		93,575
Net cash provided by operating activities		390,424
Net cash used in investing activities		
Cash held in trust account		(466,707,382)
Cash flows from financing activities		
Proceeds from notes payable, stockholders		250,000
Proceeds from issuance of founders units		25,000
Gross proceeds of public offering		480,000,000
Proceeds from issuance of sponsors warrants in private placement		4,500,000
Payments for underwriter s discount and offering costs		(17,858,673)
Net cash provided by financing activities		466,916,327
Net increase in cash		599,369
Cash, beginning of period		
Cash, end of period	$	599,369
Supplemental schedule of non-cash financing activities:		
Accrual of offering costs	$	250,483
Deferred underwriters fees	$	16,320,000

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Financial Statements

NOTE A DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS

Freedom Acquisition Holdings, Inc. (a corporation in the development stage) (the Company) was incorporated in Delaware on June 8, 2006. The Company was formed to acquire an operating business through a merger, capital stock exchange, asset acquisition, stock purchase or other similar business combination. The Company has neither engaged in any operations nor generated revenue to date. The Company is considered to be in the development stage as defined in Statement of Financial Accounting Standards (SFAS) No. 7, *Accounting and Reporting By Development Stage Enterprises,* and is subject to the risks associated with activities of development stage companies. The Company has selected December 31st as its fiscal year end.

The registration statement for the Company s initial public offering (Offering) was declared effective on December 21, 2006. The Company consummated the Offering on December 28, 2006 and the underwriters for the Offering (the Underwriters) exercised a portion of their over-allotment option on January 19, 2007 (Note B). The Company s management has broad discretion with respect to the specific application of the net proceeds of the Offering and the over-allotment option exercise, although substantially all of the net proceeds of the Offering and the over-allotment option exercise are intended to be applied toward consummating a business combination with (or acquisition of) an operating business (Business Combination). There is no assurance that the Company will be able to successfully affect a Business Combination. Upon the consummation of the Offering, approximately 96% of the gross proceeds, after payment of certain amounts to the Underwriters, was placed in a trust account (Trust Account) and invested in either short-term securities issued or guaranteed by the United States having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition or short-term tax exempt municipal bonds issued by governmental entities located within the United States and otherwise meeting the condition under Rule 2a-7 promulgated under the Investment Company Act of 1940. The proceeds will be held in the Trust Account until the earlier of (i) the consummation of the Company s initial Business Combination or (ii) the Company s dissolution and liquidation of the Trust Account as described below. The remaining proceeds may be used to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

The Company, after signing a definitive agreement for the acquisition of a target business, will submit such transaction for stockholder approval. In the event that 20% or more of the Company s outstanding common stock, par value $0.0001 per share (the Common Stock) (excluding, for this purpose, those shares of Common Stock issued prior to the Offering) vote against the Business Combination and exercise their redemption rights described below, the Business Combination will not be consummated.

Stockholders other than the Founders (as defined below) (Public Stockholders) voting against a Business Combination will be entitled to redeem their Common Stock for a cash amount equal to a pro rata share of the Trust Account (including the additional 3.4% fee of the gross proceeds payable to the Underwriters upon the Company s consummation of a Business Combination), including any interest earned (net of taxes payable and the amount distributed to the Company to fund its working capital requirements) on their pro rata share, if the business combination is approved and consummated. However, voting against the Business Combination alone will not result in an election to exercise a stockholder s redemption rights. A stockholder must also affirmatively exercise such redemption rights at or prior to the time the Business Combination is voted upon by the stockholders. Each of the Company s stockholders prior to the Offering (collectively, the Founders), including all of the directors of the Company, have agreed to vote its respective shares of Common Stock in accordance with the majority of the shares of

Common Stock voted by the Public Stockholders. Accordingly, Public Stockholders holding 19.99% of the aggregate number of shares owned by all Public Stockholders may seek redemption of their shares in the event of a Business Combination. Such Public Stockholders are entitled to receive their per share interest in the Trust Account computed without regard to the shares held by the Founders. Accordingly, a portion of the net proceeds from the Offering

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Financial Statements (continued)

(19.99% of the amount held in the Trust Account) has been classified as Common Stock subject to possible redemption in the accompanying December 31, 2006 balance sheet.

In the event that the Company does not consummate a Business Combination within 18 months from the date of the consummation of the Offering, or 24 months from the consummation of the Offering if certain extension criteria have been satisfied, the proceeds held in the Trust Account will be distributed to the Company s stockholders, excluding the Founders, to the extent of their stock holdings. In the event of such distribution, it is likely that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per Unit in the Offering (assuming no value is attributed to the Warrants contained in the Units offered in the Offering discussed in Note B).

NOTE B INITIAL PUBLIC OFFERING AND OVER-ALLOTMENT OPTION EXERCISE

On December 28, 2006, the Company sold 48,000,000 units (Units) at a price of $10.00 per Unit in the Offering. Each Unit consists of one share of the Company s Common Stock and one warrant (Warrant). Each Warrant entitles the holder to purchase one share of the Company s Common Stock at a price of $7.50 commencing on the later of the Company s consummation of a Business Combination or December 21, 2007, provided in each case that there is an effective registration statement covering the shares of Common Stock underlying the Warrants in effect. The Warrants will be redeemable at a price of $0.01 per Warrant upon 30 days prior notice after the Warrants become exercisable, only in the event that the last sale price of the Common Stock is at least $14.25 per share for any 20 trading days within a 30 trading day period ending on the third business day prior to the date on which notice of redemption is given. If the Company is unable to deliver registered shares of Common Stock to the holder upon exercise of the Warrants during the exercise period, there will be no cash settlement of the Warrants and the Warrants will expire worthless.

On January 24, 2007, the Underwriters purchased an additional 4,800,000 Units pursuant to their over-allotment option. The net proceeds of $46,272,000 (including $1,632,000 of deferred underwriters fees) from the exercise by the Underwriters of their over-allotment option were deposited into the Trust Account.

NOTE C SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Development Stage Company:

The Company complies with the reporting requirements of SFAS No. 7, *Accounting and Reporting by Development Stage Enterprises*.

Net income per common share:

Income per common share is based on the weighted average number of common shares outstanding. The Company complies with SFAS No. 128, *Earnings Per Share,* which requires dual presentation of basic and diluted earnings per share on the face of the statement of operations. Basic income per share excludes dilution and is computed by dividing income available to holders of Common Stock by the weighted-average common shares outstanding for the period. Diluted income per share reflects the potential dilution that could occur if Warrants or Sponsors Warrants (as defined

below) were to be exercised or otherwise resulted in the issuance of Common Stock that then shared in the earnings of the entity.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Financial Statements (continued)

		Period June 8, 2006 (inception) to December 1, 2006
Basic:		
Net income allocable to common shares	$	169,244
Weighted average common shares outstanding		12,927,539
Net income per common share	$	0.01
Diluted:		
Net income allocable to common shares on a diluted basis	$	169,244
Weighted average common shares outstanding		12,927,539
Additional shares considered in dilution computation:		
Warrants issued in Offering		154,589
Sponsors Warrants		14,493
Weighted average common and common equivalent shares outstanding		13,096,621
Net income per common and common equivalent shares	$	0.01

Concentration of credit risk:

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which at times, exceeds the Federal depository insurance coverage of $100,000. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Fair value of financial instruments:

The fair value of the Company s assets and liabilities, which qualify as financial instruments under SFAS No. 107, *Disclosure About Fair Value of Financial Instruments,* approximates the carrying amounts presented in the accompanying balance sheet.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income tax:

The Company complies with SFAS 109, *Accounting for Income Taxes,* which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Financial Statements (continued)

Recently Issued Accounting Pronouncements:

Management does not believe that any recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying financial statements.

NOTE D RELATED PARTY TRANSACTIONS

Each of Berggruen Holdings North America, Ltd. (Berggruen Holdings), Marlin Equities II, LLC (Marlin Equities) and three independent directors have purchased an aggregate of 12,000,003 of the Company s Founders Units (adjusted to reflect the effects of the Common Stock and Unit reverse split and dividends) for an aggregate price of $25,000 in a private placement. The Founders Units are identical to those sold in the Offering, except that each of the Founders has agreed to vote its Common Stock (the Founders Common Stock) in the same manner as a majority of the Public Stockholders who vote at the special or annual meeting called for the purpose of approving the Company s initial business combination. As a result, the Founders will not be able to exercise redemption rights with respect to the Founders Common Stock if the Company s initial business combination is approved by a majority of the Company s Public Stockholders. The Founders Common Stock included therein will not participate with the Common Stock included in the Units sold in the Offering in any liquidating distribution. The founders warrants included therein will become exercisable after the Company s consummation of a business combination, if and when the last sales price of the Company s Common Stock exceeds $14.25 per share for any 20 trading days within a 30 trading day period beginning 90 days after such business combination and will be non-redeemable so long as they are held by our founders or their permitted transferees. Each of the founders has agreed, subject to certain exceptions, not to transfer, assign or sell any of its founders units until one year after the Company s consummation of a Business Combination.

The Company issued two $125,000 unsecured promissory notes, one each, to Berggruen Holdings and Marlin Equities. These advances were non-interest bearing and due within 60 days following the consummation of the Offering. Both notes were repaid on January 23, 2007 out of the proceeds of the Offering not placed in the Trust Account and from interest the Company received on the balance of the Trust Account.

The Company presently occupies office space provided by Berggruen Holdings, Inc., an affiliate of the Company s president, chief executive officer and director, Nicolas Berggruen. The Company agreed to pay Berggruen Holdings, Inc. a total of $10,000 per month for office space, administrative services and secretarial support until the earlier of its consummation of a Business Combination or its liquidation.

On December 28, 2006, Berggruen Holdings and Marlin Equities (collectively, the Sponsors), purchased in equal amounts an aggregate of 4,500,000 Warrants (the Sponsors Warrants) at a price of $1.00 per Warrant ($4,500,000 in the aggregate) in a private placement that occurred immediately prior to the Offering. The Sponsors Warrants are identical to the Warrants issued with the Units sold in the Offering except that the Sponsors Warrants will be non-redeemable so long as they are held by the Sponsors or their permitted transferees. Each of the Sponsors has agreed, subject to certain exceptions, not to transfer, assign or sell any of its Sponsors Warrants until one year after the Company consummates a Business Combination.

In addition, Berggruen Holdings and Marlin Equities, collectively have agreed to purchase 5,000,000 Units at a price of $10 per Unit (an aggregate price of $50,000,000) from the Company in a private placement that will occur

immediately prior to the Company s consummation of a Business Combination. These Units will be identical to the Units sold in the Offering. Each of Berggruen Holdings and Marlin Equities has also agreed that these Units will not be sold, transferred, or assigned until at least one year after the completion of the Business Combination.

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Financial Statements (continued)

NOTE E INCOME TAXES

The Company s provision for income taxes reflects the application of federal, state and city statutory rates to the Company s income before taxes. The Company s effective tax rate was 43% for the period from June 8, 2006 (date of inception) to December 31, 2006.

Components of the provision for income taxes are as follows:

Current	
Federal	$ 80,817
State	20,282
City	26,256
Total current	$ 127,355

The effective income tax differs from the statutory rate of 34% principally due to the effect of state and city income taxes.

NOTE F COMMITMENT

The Company paid an underwriting discount of 3.6% of the public Unit offering price to the Underwriters at the closing of the Offering, with an additional 3.4% fee of the gross Offering proceeds payable upon the Company s consummation of a Business Combination.

NOTE G PREFERRED STOCK

The Company is authorized to issue 1,000,000 shares of preferred stock with such designations, voting and other rights and preferences as may be determined from time to time by the Board of Directors.

NOTE H COMMON STOCK

On November 29, 2006, the Company effected a four-fifths (4/5) reverse Common Stock split. On December 14, 2006, the Company effected a (i) one-for-three Common Stock dividend for each issued and outstanding share of the Company s Common Stock and (ii) one-for-three Unit dividend for each issued and outstanding Unit of the Company. On December 21, 2006, the Company effected a (i) one-for-five Common Stock dividend for each issued and outstanding share of the Company s Common Stock and (ii) one-for-five Unit dividend for each issued and outstanding Unit of the Company. All transactions and disclosures in the financial statements, related to the Company s Common Stock and Units, have been adjusted to reflect the effect of the Common Stock and Unit reverse split and dividends.

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

UNAUDITED CONDENSED BALANCE SHEETS

	June 30, 2007	December 31, 2006
ASSETS		
Current assets		
Cash	$ 2,892,494	$ 599,369
Prepaid expenses	45,164	
Total current assets	2,937,658	599,369
Other assets		
Deferred tax assets	124,337	
Deferred transaction costs	1,502,882	
Cash held in trust account	521,510,679	466,707,382
	$ 526,075,556	$ 467,306,751
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities		
Accrued expenses	$ 813,753	$ 250
Accrued offering costs		250,483
Income taxes payable	5,515,250	127,355
Franchise tax payable	45,070	93,575
Notes payable, founding stockholders		250,000
Total current liabilities	6,374,073	721,663
Long-term liabilities		
Deferred underwriters fee	17,952,000	16,320,000
Common stock, subject to possible redemption, at redemption value	102,572,088	93,247,353
Deferred interest income related to common stock subject to possible redemption	1,782,844	
Stockholders equity		
Preferred stock, $.0001 par value; 1,000,000 shares authorized; none issued		
Common stock, $.0001 par value, 200,000,000 shares authorized; 64,800,003 shares issued and outstanding (including shares subject to possible redemption) at June 30, 2007 and 60,000,003 shares issued and outstanding (including shares subject to possible redemption) at December 31, 2006	6,480	6,000
Additional paid-in capital	392,126,827	356,842,491

Income accumulated during the development stage	5,261,244	169,244
Total stockholders equity	397,394,551	357,017,735
	$ 526,075,556	$ 467,306,751

See accompanying notes to condensed financial statements.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

UNAUDITED CONDENSED STATEMENTS OF OPERATIONS

	For the Six Months Ended June 30, 2007	Period from June 8, 2006 (inception) to June 30, 2006	Period from June 8, 2006 (inception) to June 30, 2007
Interest income	$ 12,751,613	$ 484	$ 13,142,186
Formation and operating costs	362,461	250	456,435
Income before provision for income taxes	12,389,152	234	12,685,751
Provision for income taxes	5,514,308		5,641,663
Net income	6,874,844	234	7,044,088
Interest income related to common stock subject to possible redemption	1,782,844		1,782,844
Net income allocable to common stockholders not subject to possible redemption	$ 5,092,000	$ 234	$ 5,261,244
Weighted average shares outstanding, basic	64,190,058		36,781,398
Net income per common share, basic	$ .11		.19
Weighted average shares outstanding, diluted	82,275,063		45,413,741
Net income per common share, diluted	$ .08		.16

See accompanying notes to condensed financial statements.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS

	For the Six Months Ended June 30, 2007	Period from June 8, 2006 (inception) to June 30, 2006	Period from June 8, 2006 (inception) to June 30, 2007
Cash Flows from Operating Activities			
Net income	$ 6,874,844	$ 234	$ 7,044,088
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Deferred tax benefit	(124,337)		(124,337)
Changes in operating assets and liabilities			
Increase (decrease) in prepaid expenses	(45,164)		(45,164)
Increase in income taxes payable	5,387,895		5,515,250
Increase (decrease) in franchise tax payable	(48,505)		45,070
Increase in deferred offering costs		(50,000)	
Increase in accrued expenses		250	250
Net cash provided by (used in) operating activities	12,044,733	(49,516)	12,435,157
Net Cash Flows used in Investing Activities			
Payments for deferred transaction costs	(689,379)		(689,379)
Cash held in trust account	(54,803,297)		(521,510,679)
Net cash used in investing activities	(55,492,676)		(522,200,058)
Cash Flows from Financing Activities			
Proceeds from notes payable, stockholders		250,000	250,000
Proceeds from issuance of founders units		25,000	25,000
Gross proceeds of public offering	48,000,000		528,000,000
Proceeds from issuance of sponsors warrants in private placement			4,500,000
Principal payments made on notes payable, stockholders	(250,000)		(250,000)
Payments for underwriter s discount and offering costs	(2,008,932)		(19,867,605)
Net cash provided by financing activities	45,741,068	275,000	512,657,395
Net increase in cash	2,293,125	225,484	2,892,494
Cash at beginning of the period	599,369		
Cash at end of the period	$ 2,892,494	$ 225,484	$ 2,892,494

Supplemental disclosure of cash flow information:				
Cash paid for income taxes	$	250,750	$	250,750
Supplemental schedule of non-cash investing and financing activities:				
Accrual of deferred transaction costs	$	813,503	$	813,503
Deferred underwriters fees	$	1,632,000	$	17,952,000

See accompanying notes to condensed financial statements.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Condensed Financial Statements

NOTE A DESCRIPTION OF ORGANIZATION AND BUSINESS OPERATIONS AND BASIS OF PRESENTATION

Freedom Acquisition Holdings, Inc. (a corporation in the development stage) (the Company) was incorporated in Delaware on June 8, 2006. The Company was formed to acquire an operating business through a merger, capital stock exchange, asset acquisition, stock purchase or other similar business combination. The Company has neither engaged in any operations nor generated revenue to date. The Company is considered to be in the development stage as defined in Statement of Financial Accounting Standards (SFAS) No. 7, *Accounting and Reporting By Development Stage Enterprises,* and is subject to the risks associated with activities of development stage companies. The Company has selected December 31st as its fiscal year end.

On June 19, 2007, Freedom Acquisition Holdings, Inc. incorporated three wholly-owned subsidiaries, FA Sub 1 Limited, FA Sub 2 Limited and FA Sub 3 Limited. As of June 30, 2007, there are no assets or liabilities and there were no activities in any of the subsidiaries. On a going forward basis, the Company s financial statements will be consolidated with the three subsidiaries.

The accompanying unaudited condensed financial statements have been prepared by the Company and reflect all adjustments, consisting only of normal recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the financial position as of June 30, 2007 and the financial results for the six months ended June 30, 2007 and the periods from June 8, 2006 (date of inception) to June 30, 2006 and from June 8, 2006 (date of inception) to June 30, 2007, in accordance with accounting principles generally accepted in the United States of America for interim financial statements and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and footnote disclosures normally included in the Company s annual audited financial statements have been condensed or omitted pursuant to such rules and regulations.

The results of operations for the six months ended June 30, 2007 and the periods from June 8, 2006 (date of inception) to June 30, 2006 and from June 8, 2006 (date of inception) to June 30, 2007 are not necessarily indicative of the results of operations to be expected for a full fiscal year. These interim unaudited condensed financial statements should be read in conjunction with the financial statements for the period from June 8, 2006 (date of inception) to December 31, 2006, which are included in the Company s Annual Report on Form 10-K filed with the Securities and Exchange Commission.

The registration statement for the Company s initial public offering (Offering) was declared effective on December 21, 2006. The Company consummated the Offering on December 28, 2006 and the underwriters for the Offering (the Underwriters) exercised a portion of their over-allotment option on January 19, 2007 (Note B). The Company s management has broad discretion with respect to the specific application of the net proceeds of the Offering and the over-allotment option exercise, although substantially all of the net proceeds of the Offering and the over-allotment option exercise are intended to be applied toward consummating a business combination with (or acquisition of) an operating business (Business Combination). There is no assurance that the Company will be able to successfully affect a Business Combination. Upon the consummation of the Offering, approximately 96% of the gross proceeds, after payment of certain amounts to the Underwriters, was placed in a trust account (Trust Account) and invested in either short-term securities issued or guaranteed by the United States having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition or short-term tax exempt municipal

bonds issued by governmental entities located within the United States and otherwise meeting the condition under Rule 2a-7 promulgated under the Investment Company Act of 1940. The proceeds will be held in the Trust Account until the earlier of (i) the consummation of the Company s initial Business Combination or (ii) the Company s dissolution and liquidation of the Trust Account as described below. The remaining proceeds may be used to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Condensed Financial Statements (Continued)

The Company will submit the Acquisition (as defined below in Note F) for stockholder approval. In the event that 20% or more of the Company s outstanding common stock, par value $0.0001 per share (the Common Stock) (excluding, for this purpose, those shares of Common Stock issued prior to the Offering) vote against the Acquisition and exercise their redemption rights described below, the Acquisition will not be consummated.

Stockholders other than the Founders (as defined below) (Public Stockholders) voting against a Business Combination will be entitled to redeem their Common Stock for a cash amount equal to a pro rata share of the Trust Account (including the additional fee of 3.4% of the gross proceeds payable to the Underwriters upon the Company s consummation of a Business Combination), including any interest earned (net of taxes payable and the amount distributed to the Company to fund its working capital requirements) on their pro rata share, if the business combination is approved and consummated. However, voting against the Business Combination alone will not result in an election to exercise a stockholder s redemption rights. A stockholder must also affirmatively exercise such redemption rights at or prior to the time the Business Combination is voted upon by the stockholders. Each of the Company s stockholders prior to the Offering (collectively, the Founders), including all of the directors of the Company, have agreed to vote its respective shares of Common Stock in accordance with the majority of the shares of Common Stock voted by the Public Stockholders. Accordingly, Public Stockholders holding approximately 19.99% of the aggregate number of shares owned by all Public Stockholders may seek redemption of their shares in the event of a Business Combination. Such Public Stockholders are entitled to receive their per share interest in the Trust Account computed without regard to the shares held by the Founders. Accordingly, a portion of the net proceeds from the Offering (approximately 19.99% of the amount held in the Trust Account) has been classified as Common Stock subject to possible redemption and approximately 19.99% of the related interest earned on the Trust Account, net of income taxes and net of $3.9 million to fund the Company s working capital requirements, has been classified as deferred interest in the accompanying unaudited condensed balance sheets.

In the event that the Company does not consummate a Business Combination within 18 months from the date of the consummation of the Offering, or 24 months from the consummation of the Offering if certain extension criteria have been satisfied, the proceeds held in the Trust Account will be distributed to the Company s stockholders, excluding the Founders, to the extent of their initial stock holdings. In the event of such distribution, it is likely that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per Unit in the Offering (assuming no value is attributed to the Warrants contained in the Units offered in the Offering discussed in Note B).

NOTE B INITIAL PUBLIC OFFERING AND OVER-ALLOTMENT OPTION EXERCISE

On December 28, 2006, the Company sold 48,000,000 units (Units) at a price of $10.00 per Unit in the Offering. Each Unit consists of one share of the Company s Common Stock and one warrant (Warrant). Each Warrant entitles the holder to purchase one share of the Company s Common Stock at a price of $7.50 commencing on the later of the Company s consummation of a Business Combination or December 21, 2007, provided in each case that there is an effective registration statement covering the shares of Common Stock underlying the Warrants in effect. The Warrants will be redeemable at a price of $0.01 per Warrant upon 30 days prior notice after the Warrants become exercisable, subject to the condition that the last sale price of the Common Stock is at least $14.25 per share for any 20 trading days within a 30 trading day period ending on the third business day prior to the date on which notice of redemption is given. If the Company is unable to deliver registered shares of Common Stock to the holder upon exercise of the

Warrants during the exercise period, there will be no cash settlement of the Warrants and the Warrants will expire worthless.

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Condensed Financial Statements (Continued)

On January 24, 2007, the Underwriters purchased an additional 4,800,000 Units pursuant to their over-allotment option. The net proceeds of $46,272,000 (including $1,632,000 of deferred underwriters fees) from the exercise by the Underwriters of their over-allotment option were deposited into the Trust Account.

NOTE C SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net income per common share:

Income per common share is based on the weighted average number of common shares outstanding. The Company complies with SFAS No. 128, *Earnings Per Share,* which requires dual presentation of basic and diluted earnings per share on the face of the statement of operations. Basic income per share excludes dilution and is computed by dividing income available to holders of Common Stock by the weighted-average common shares outstanding for the period. Diluted income per share reflects the potential dilution that could occur if Warrants were to be exercised or otherwise resulted in the issuance of Common Stock that then shared in the earnings of the Company.

Deferred transaction costs:

Deferred transaction costs consist principally of accounting, legal and other fees incurred through the balance sheet date that are related to the proposed acquisition discussed in Note F. Deferred transaction costs related to the proposed acquisition will be charged to expense if the acquisition is not consummated or included in the allocation of purchase price should the transaction be consummated.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income tax:

The Company complies with SFAS No. 109, *Accounting for Income Taxes,* which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Effective January 1, 2007, the Company adopted the provisions of the Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109 (FIN 48). There were no unrecognized tax benefits as of January 1, 2007 and as of June 30, 2007. FIN 48 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be

more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties at January 1, 2007. There was no change to this balance at June 30, 2007. The Company is currently unaware of any issues under review that could result in significant payments, accruals or material deviations from its

Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Condensed Financial Statements (Continued)

position. The adoption of the provisions of FIN 48 did not have a material impact on the Company s financial position, results of operations and cash flows.

Upon the written request of the Company, the trustee of the Trust Account has agreed to make disbursements to the Company from the funds in the Trust Account for income tax amounts due and payable by the Company.

Recently Issued Accounting Pronouncements:

Management does not believe that any recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying financial statements.

NOTE D COMMITMENT

The Company paid an underwriting discount of 3.6% of the public Unit offering price to the Underwriters at the closing of the Offering, with an additional 3.4% fee of the gross Offering proceeds payable upon the Company s consummation of a Business Combination. This additional 3.4% fee, or $17,952,000 and $16,320,000 at June 30, 2007 and December 31, 2006, respectively, is reflected as a liability in the accompanying unaudited condensed balance sheets.

NOTE E RELATED PARTY TRANSACTIONS

The Company issued two $125,000 unsecured promissory notes, one each, to Berggruen Holdings North America Ltd. and Marlin Equities II, LLC. These advances were non-interest bearing and due within 60 days following the consummation of the Offering. Both notes were repaid on January 23, 2007 out of the proceeds of the Offering not placed in the Trust Account and from interest the Company received on the balance of the Trust Account.

The Company presently occupies office space provided by Berggruen Holdings, Inc., an affiliate of the Company s president, chief executive officer and director, Nicolas Berggruen. The Company agreed to pay Berggruen Holdings, Inc. a total of $10,000 per month for office space, administrative services and secretarial support until the earlier of its consummation of a Business Combination or its liquidation.

In addition, Berggruen Holdings and Marlin Equities, collectively have agreed to purchase 5,000,000 Units at a price of $10 per Unit (an aggregate purchase price of $50,000,000) from the Company in a private placement that will occur immediately prior to the Company s consummation of a Business Combination. These Units will be identical to the Units sold in the Offering. Each of Berggruen Holdings and Marlin Equities has also agreed that these Units will not be sold, transferred, or assigned until at least one year after the completion of the Business Combination.

NOTE F PURCHASE AGREEMENT

On June 22, 2007, Freedom and each of its wholly-owned subsidiaries entered into a Purchase Agreement with the equity holders of GLG Partners LP and certain affiliated entities (collectively, GLG) under which Freedom will purchase 100% of the ownership interests in GLG for cash and for shares of Freedom and certain of its subsidiaries (the Acquisition). The Acquisition is subject to a number of conditions including a vote of the shareholders of

Freedom, certain financing being obtained and all applicable regulatory approvals being obtained. Because the equity holders of GLG will own approximately 77% of the shares of common stock of Freedom immediately following the consummation of the Acquisition, the Acquisition will be considered to be a reverse acquisition and recapitalization for accounting purposes. Under this method of accounting, GLG will be treated as the acquiring company and the Acquisition will be treated as the equivalent of GLG issuing stock for the net monetary assets of Freedom accompanied by a recapitalization of

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Freedom Acquisition Holdings, Inc.
(a corporation in the development stage)

Notes to Condensed Financial Statements (Continued)

GLG. The net monetary assets of Freedom, primarily cash, will be stated at their fair value, which will be equivalent to the carrying value, and accordingly no goodwill or other intangible assets will be recorded. A final determination of the estimated fair values will be based on the actual net monetary assets acquired as of the date of completion of the Acquisition.

At the closing and subject to Board of Director approval to increase the number of authorized stock and certain adjustments as described below, we will pay the equity holders of GLG, for all of outstanding equity interests of GLG, the aggregate purchase price consisting of:

- $1.0 billion, to be allocated between cash and loan notes if certain equity holders elect to receive such notes in lieu of all or a portion of the cash consideration to such person;

- 230,000,000 shares of our common stock and common stock equivalents, which include:

  - 138,136,070 shares of our common stock;

  - 58,923,874 exchangeable Class B ordinary shares of our subsidiary, FA Sub 2 Limited, which are exchangeable for 58,923,874 shares of our common stock; and

  - 32,940,056 ordinary shares of our subsidiary, FA Sub 1 Limited, which are subject to certain put rights to us and call rights by us, payable upon exercise by delivery of 33,000,000 shares of our common stock; and

- 58,923,874 shares of our Series A voting preferred stock, which carry only voting rights and nominal economic rights.

After the closing, the aggregate purchase price paid to GLG will be subject to a possible adjustment on a dollar-for-dollar basis, to the extent the net cash amount of GLG as of the closing date is higher or lower than a specified baseline amount on each of the following adjustment dates: (1) 10 business days after the closing, (2) January 31, 2008, and (3) 10 business days after receipt by us of the audited financial statements of GLG for fiscal year 2007.

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Annex A

PURCHASE AGREEMENT

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