



Churchill Pacific Asset Management Completes \$420 million CLO

New York, NY – July 16, 2007 – Churchill Pacific Asset Management (“CPAM” or “The Company”), a subsidiary of Churchill Financial Holdings LLC (“Churchill”), announced today that it has completed a \$420 million cash flow CLO transaction.

The offering of San Gabriel CLO I Ltd. brings to six the number of CLOs currently under management by CPAM. The notes offered through this CLO transaction are primarily backed by a diversified portfolio of broadly syndicated, senior secured loans. The transaction was executed through a private offering of Class A through C Notes via Rule 144A. Churchill has a minority investment in the Class C Notes.

“This transaction marks the third CLO launched by CPAM since its merger with Churchill in October 2006,” said John Casparian, Co-President of CPAM. “CPAM’s research-driven investment process has resulted in solid collateral protection for our CLO Noteholders and excellent returns for the CLO Equity investors over the last seven years.”

CPAM, which is based in Los Angeles, will serve as collateral manager of the CLO, which has a seven-year reinvestment period. The Class A and B notes are rated by both Moody’s and S&P. The blended pricing for the San Gabriel notes issued to investors was approximately LIBOR plus 0.54%.

Bear Stearns & Co, Inc. acted as Lead Book Running Manager and Structuring Agent on the transaction.

About Churchill Financial Holdings

Churchill Financial Holdings LLC, headquartered in New York, is a leading commercial finance and asset management company. Churchill has three complementary businesses: Churchill Financial, which focuses on providing senior lending to middle market companies; Churchill Capital, which provides subordinated debt financing to middle market companies; and Churchill Pacific, which manages portfolios of CDOs and other fixed income funds. Churchill Financial and Churchill Capital focus on lending to companies backed by leading private equity firms and other investors. Churchill was founded by Bear Stearns Merchant Banking and Senior Management in February 2006. It has approximately \$2 billion of committed capital to support its financing activities and over \$4.5 billion in assets under management. Churchill has offices in New York,

Minneapolis, Los Angeles, Chicago and Boston. For more information please visit our Web site at www.churchillfinco.com.

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