

**BARROW, HANLEY, MEWHINNEY & STRAUSS
TO LAUNCH BANK LOAN STRATEGY**

*Investment Manager Hires Two Industry Veterans - Nick Losey & Chet Pai
To Lead and Manage the New Strategy*

DALLAS, Texas, May 21, 2018 – [Barrow, Hanley, Mewhinney & Strauss, LLC](#) (“Barrow Hanley”), one of the nation’s leading value-oriented investment managers, today announced that the firm will be launching a bank loan strategy, effective June 2018. In conjunction with the initiation of this new strategy, the firm has also added two senior investment professionals to its fixed income team who will lead and manage the firm’s below investment grade offerings, including this new strategy.

The bank loan strategy will expand, complement and strengthen the firm’s existing fixed income strategies, and will share a similar investment philosophy and process that has been the hallmark of Barrow Hanley for more than three decades – one designed to produce superior returns with lower volatility.

“Barrow Hanley is known for its in-depth credit research and providing clients with fixed income offerings that are designed to help them achieve their financial objectives,” said Cory Martin, Executive Director at Barrow Hanley. “The addition of the bank loan strategy and our expanded fixed income team will further enhance our suite of investment offerings, allowing BHMS to assess and invest in instruments representing what we believe to be the best risk and reward opportunities for our clients across the entire capital structure,” Martin continued.

The bank loan strategy will be co-managed by Nick Losey and Chet Paipanandiker (Pai), who bring nearly 40 years of combined experience to Barrow Hanley. They have invested together for almost 15 years and have extensive expertise in high-yield bonds, bank loans, structured products, credit default swaps (CDS) and equities. Losey and Pai recently joined Barrow Hanley and will both report to Mark Luchsinger and Scott McDonald, the Co-Heads of Fixed Income at Barrow Hanley. Losey and Pai will join Erik Olson and Mark Luchsinger in co-managing the high yield fund launched in 2002.

Most recently, Losey and Pai were portfolio managers at Whitebox Advisors, where they were recruited to help launch a collateralized loan obligation platform and generate investment ideas for the firm’s hedge funds. Previously, the two were founding members of a team that launched an event-driven hedge fund. The pair got their start together at Highland Capital Management investing in bank loans, high-yield bonds and equities.

“Now is the ideal time to add the bank loan strategy to Barrow Hanley’s menu of offerings as these instruments offer floating interest rates that are designed to protect investors in this rising rate environment,” said Losey. “We expect the portfolio to offer a yield approximately equivalent to high yield bonds while delivering a lower standard deviation and providing enhanced downside protection since real assets secure them,” he added. “If investors are looking for yield and diversification within their fixed-income holdings, we believe bank loans are able to assist them in achieving these goals,” said Losey.

“Nick and I look forward to managing this new strategy by employing Barrow Hanley’s value-driven investment methodology in coordination with a team of highly-skilled and like-minded investment professionals,” said Pai. “The bank loan market has grown substantially in recent years, with outstanding bank loans exceeding outstanding high-yield bonds for the first time in recent memory,” added Pai.

In fact, outstanding high-leverage loans rose more than 13% last year to a record \$1.365 trillion, compared with a drop in high-yield corporate bonds of 4.8% to \$1.28 trillion, according to Moody's Analytics.

The new team will implement an established approach to the bank loan and high-yield space to fully assess both risks and opportunities available for investments under consideration. Their process will include the rigorous fundamental analysis of all aspects of corporate capital structures for which Barrow Hanley has become known during the past three decades. The continued close collaboration between the firm's equity and fixed income research platforms will enable the bank loan team to achieve superior analysis and make well-informed investment decisions.

Earlier this month, Barrow Hanley announced that Bill Braxton had joined the firm as Director of Client Development responsible for business development, investor relations and capital raising for Barrow Hanley's fixed income strategies.

Barrow Hanley has been managing fixed income portfolios for institutional investors for nearly 35 years. In addition to the new bank loan strategy, the [strategies](#) managed by Barrow Hanley in fixed income include Core, Core Plus, Intermediate, Short Maturity, Investment Grade Credit, Intermediate Credit, Enhanced Intermediate Credit, Long Credit, Long Government/Credit, Extended Duration, High Yield, and TIPS.

About Barrow, Hanley, Mewhinney & Strauss

Founded in 1979 in Dallas, Texas, Barrow Hanley is a Delaware limited liability company and SEC-registered investment adviser. Barrow Hanley is considered one of the most respected value-oriented asset managers in the country, providing investment strategies to institutional investors, mutual funds, and family offices. As of December 31, 2017, the firm had \$91.7 billion in assets under management. To learn more, visit www.barrowhanley.com.

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