

## Tradition Completes Dutch Weather Auction for London Heathrow

NEW YORK, Nov. 12 /PRNewswire/ --Tradition, a leading interdealer broker and a subsidiary of Compagnie Financiere Tradition, announced that its U.S. weather derivatives division completed a Dutch auction on behalf of a client looking to mitigate warm weather risk in the London Heathrow (LHR) area.

Bids were solicited for heating degree-days (HDD) swaps for the month of December 2009. Formal proposals were submitted to Tradition (formerly TFS Energy) and executed on November 9th. The bids were traded on the Chicago Mercantile Exchange (CME) and the auction cleared for 2,300 lots equaling 46,000 GBP of protection per HDD.

"We are very pleased to complete another successful auction. The weather derivatives markets in both the U.S. and Europe have been quite active this year as corporations look for effective ways to protect their businesses by hedging their exposure to weather," said Kendall Johnson, Managing Director and Global Head of Weather Derivatives at Tradition.

Tradition has led numerous auctions ranging in size from USD 1 million to upwards of USD 100 million of transferred risk. Tradition is a pioneer in the Dutch auction space and has been responsible for brokering weather risk transfers in the U.S., Europe and Asia. Tradition's weather derivatives desks operate in Stamford, Conn., London and Sydney.

### Note to Editors on the Dutch Auction:

For the London Heathrow (LHR) auction, offers were accepted in a minimum bid size of 100 lots, with increments of 50 lots thereafter, and cleared on the CME. When a level was deemed to be acceptable, no less than a minimum transaction size of 500 lots was executed through the auction. The levels were posted on the CME.

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### About Tradition

Tradition is one of the world's largest interdealer brokers in over-the-counter financial and commodity related products. Represented in 27 countries, Tradition employs 2,450 people globally. Tradition is owned by Compagnie Financiere Tradition (CFT) and listed on the Swiss stock exchange.

For more information, please visit [www.tradition.com](http://www.tradition.com).

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