



## **Tradition Re Brokers First CME-Cleared 'Second Event' Hurricane Option Contract**

**NEW YORK, NY, March 24, 2009** –Tradition, a leading interdealer broker and a subsidiary of Compagnie Financière Tradition, today announced that its U.S. reinsurance division, Tradition Re, has brokered the first 'second event' hurricane option contract to clear through the CME. The contract, a seasonal maximum binary option that posted on the exchange on March 18, was brokered on behalf of a reinsurance company wishing to hedge its hurricane-related risk for the Gulf and Florida combined regions during the 2009 calendar year.

"This CME-cleared 'second event' option contract is another example of how the reinsurance and weather markets continue to come up with innovative solutions to mitigate risk," commented Kendall Johnson, Managing Director and Global Head of Reinsurance and Weather Derivatives for Tradition. "We look forward to supporting further diversification of reinsurance and weather-related contracts as the market for parametric risk continues to develop. As an uncorrelated asset, the reinsurance and weather derivative markets still have opportunities that are not currently available in the overall capital market."

Mr. Johnson added, "This unique access to the reinsurance market is only possible through the new specialist reinsurance team we brought in at the start of the year. We have worked with them as joint venture partners on the Carvill Hurricane Index and are pleased to be able to work together even more closely for the benefit of our clients."

The new additions to Tradition Re's team are Steve Breen, Executive Vice President, Patrick Gonnelli, Executive Vice President, and Mathew Carter, Vice President. The team, which collectively has 50 plus years of experience in the reinsurance industry, places reinsurance and derivative insurance risk in the United States, Bermuda and London markets.

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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. Tradition is represented in 26 countries and has approximately 3,000 institutional clients. It employs 2,250 people globally, 680 of whom are based in London.

Tradition is owned by Compagnie Financiere Tradition (CFT), listed on the Swiss stock exchange. For more information, please go to [www.tradition.com](http://www.tradition.com).