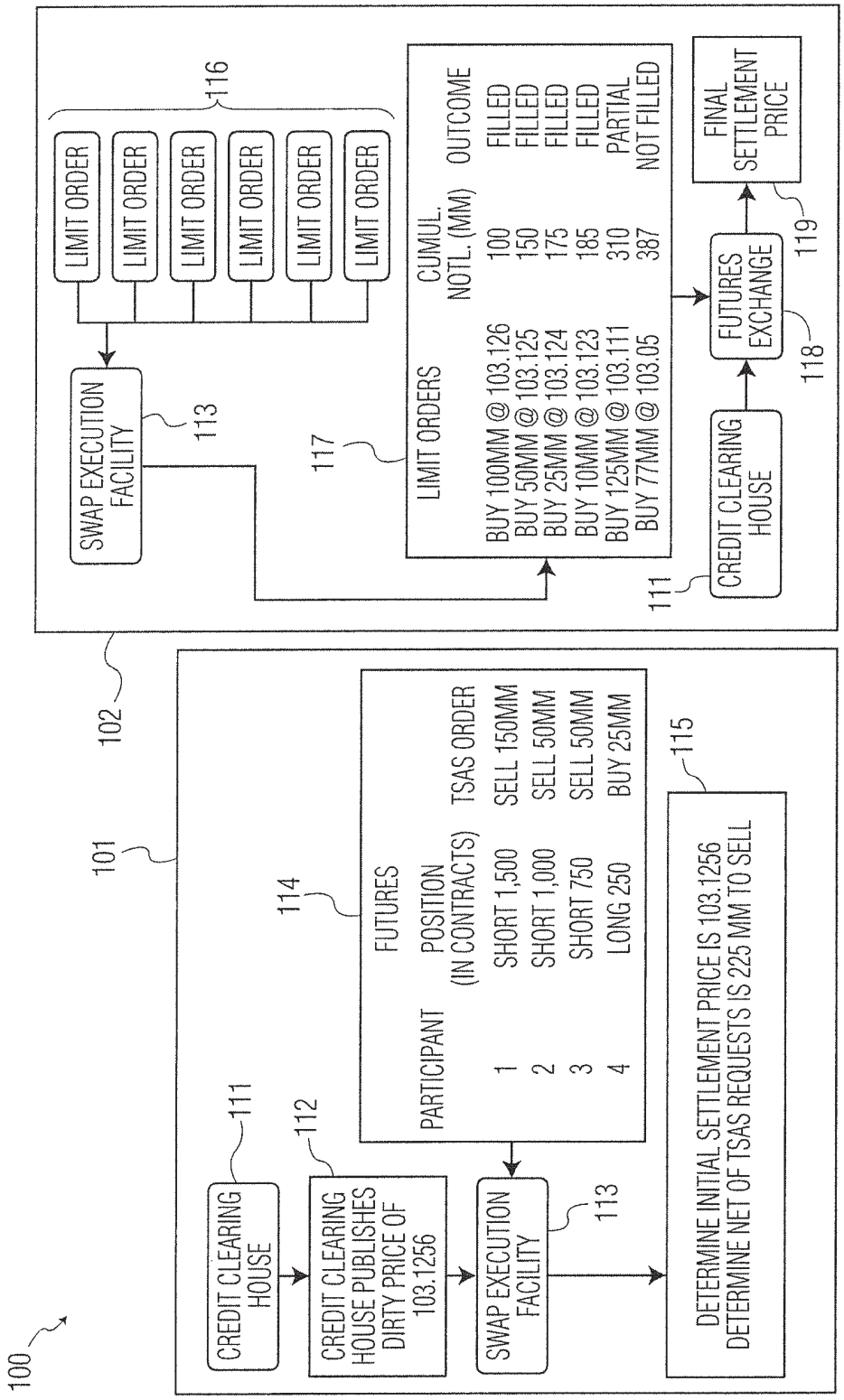

100
101
102
CREDIT CLEARING HOUSE
111
CREDIT CLEARING HOUSE PUBLISHES DIRTY PRICE OF 103.1256
112
SWAP EXECUTION FACILITY
113
FUTURES
PARTICIPANT
POSITION (IN CONTRACTS)
TSAS ORDER
1 SHORT 1,500 SELL 150MM
2 SHORT 1,000 SELL 50MM
3 SHORT 750 SELL 50MM
4 LONG 250 BUY 25MM
114
DETERMINE INITIAL SETTLEMENT PRICE IS 103.1256
DETERMINE NET OF TSAS REQUESTS IS 225 MM TO SELL
115
LIMIT ORDER
LIMIT ORDER
LIMIT ORDER
LIMIT ORDER
LIMIT ORDER
LIMIT ORDER
116
SWAP EXECUTION FACILITY
113
LIMIT ORDERS
CUMUL. NOTL. (MM)
OUTCOME
BUY 100MM @ 103.126 100 FILLED
BUY 50MM @ 103.125 150 FILLED
BUY 25MM @ 103.124 175 FILLED
BUY 10MM @ 103.123 185 FILLED
BUY 125MM @ 103.111 310 PARTIAL
BUY 77MM @ 103.05 387 NOT FILLED
117
111
CREDIT CLEARING HOUSE
FUTURES EXCHANGE
118
119
FINAL SETTLEMENT PRICE

FIG. 1

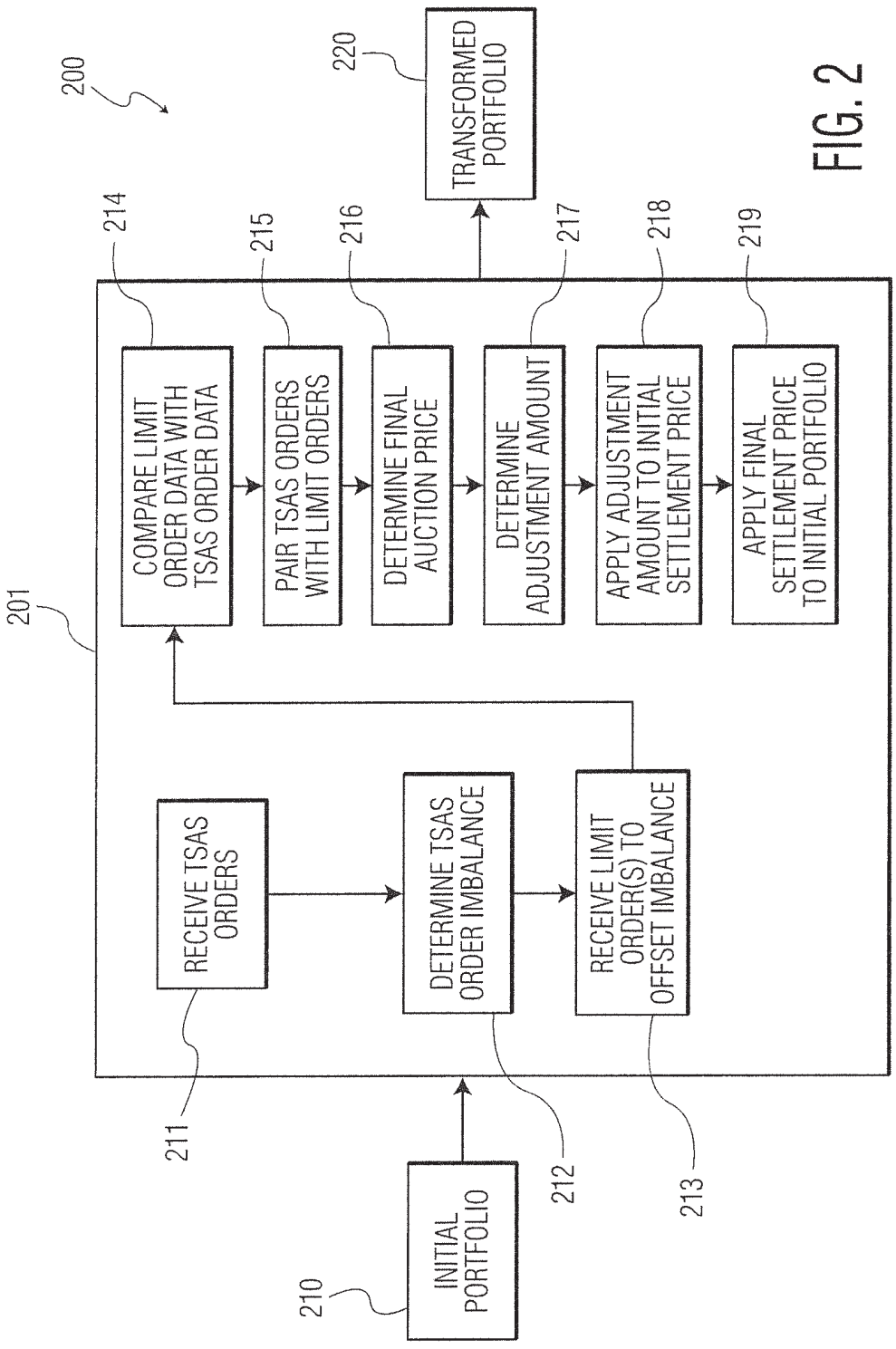

200
201
210
INITIAL PORTFOLIO
211
RECEIVE TSAS ORDERS
212
DETERMINE TSAS ORDER IMBALANCE
213
RECEIVE LIMIT ORDER(S) TO OFFSET IMBALANCE
214
COMPARE LIMIT ORDER DATA WITH TSAS ORDER DATA
215
PAIR TSAS ORDERS WITH LIMIT ORDERS
216
DETERMINE FINAL AUCTION PRICE
217
DETERMINE ADJUSTMENT AMOUNT
218
APPLY ADJUSTMENT AMOUNT TO INITIAL SETTLEMENT PRICE
219
APPLY FINAL SETTLEMENT PRICE TO INITIAL PORTFOLIO
220
TRANSFORMED PORTFOLIO

FIG. 2