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(71) Applicant *(for all designated States except US)*: **TRADING TECHNOLOGIES INTERNATIONAL, INC.** [US/US]; 222 South River Plaza, Suite 1100, Chicago, IL 60606 (US).

(72) Inventors; and

(75) Inventors/Applicants *(for US only)*: **GARLANGER, Andrea, C.** [US/US]; 3528 N. Fremont St., Apt. 2, Chicago, IL 60657 (US). **MESSINA, Patricia, A.** [US/US]; 938 N. Racine, Apt. 3, Chicago, IL 60642 (US). **MITTAL, Bharat** [IN/US]; 704 Teal Court, Schaumburg, IL 60193 (US).

(74) Agent: **WILLIAMS, Daniel, P.**; McDonnell Boehnen Hulbert & Berghoff LLP, 300 South Wacker Drive, Suite 3200, Chicago, IL 60606 (US).

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(54) Title: SYSTEMS AND METHODS FOR PRODUCT-LEVEL AND CONTRACT-LEVEL RISK COMPUTATIONS AND MANAGEMENT

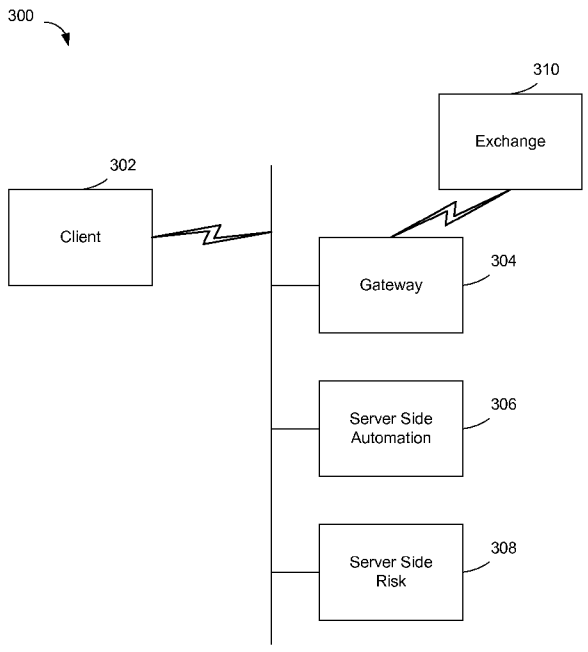


FIGURE 3

(57) Abstract: Various systems and methods are described herein for product-level and contract-level risk checks. The risk checks are used to either allow or prevent a trading strategy. When a trading strategy is initiated, quoting and hedge orders to be entered are grouped based on their association with the same contract or the same product. Then, long and short positions are determined for each quoting order on order quantities of a quoting order and each hedge order that is triggered by the quoting order at the product level and the contract level. The long or short position that are contributed by the hedge orders may then be offset by the quantity of the quoting order in the same product or the same contract. The computed values are used to determine the worst case net product position and/or worst case contract position for the trading strategy.

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