

DECLARATION OF RAY CAHNMAN

I, Ray Cahnman, declare that:

1. I am personally familiar with the facts set forth herein, and, if called as a witness, I could and would testify thereto of my own personal knowledge.
2. I have a Bachelor of Science degree in Mathematics from DePaul University and a Master of Business Administration degree from Tulane University.
3. I began my trading career at the Chicago Board of Trade ("CBOT") in October of 1975. In 1980, I founded Aardvark Financial, a CBOT clearing firm. Aardvark Financial became a clearing member of the Chicago Mercantile Exchange ("CME") in 1981. The firm was renamed TransMarket Group in 1984.
4. Transmarket Group L.L.C. is a global private trading and investment company that trades various exchange listed derivatives, equities, commodities and cash markets electronically. As electronic, screen based trading emerged, Transmarket became an early leader in making use of technology trade electronically. Transmarket currently has around 150 traders, trading from different locations around the world. Transmarket's headquarters are located at 141 W. Jackson, Suite 1930, Chicago, Illinois. I am currently Chairman of Transmarket Group.
5. I qualified as an independent floor trader on the London International Futures Exchange ("LIFFE") and the Sydney Futures Exchange in 1989. From 1999-2002, I served as Director of the Chicago Board of Trade. I have, therefore, witnessed and experienced first-hand the transition from trading on the floors in an open outcry system to the trading of products electronically via screens connected to electronic exchanges.
6. I currently trade cash U.S. Treasuries, Treasury futures, Eurodollar futures, Euribor futures and Eurex yield curve products electronically. I have traded electronically on the CBOT, CME, LIFFE, BrokerTec, E-speed and Eurex.
7. I first became exposed to Harris Brumfield's idea behind MD Trader in the Spring of 2000. I remember being shown a trading screen in which market depth was displayed relative to a fixed or static column of prices and in which the trader could quickly and accurately enter orders by clicking on cells associated with the prices. I recall being struck by the innovative way in which this screen displayed market information and allowed for order entry. I also recall being struck by how different this screen was from anything I had ever seen before. The MD Trader screen was significant departure from

the standard order entry screens that were prevalent at the time – screens that displayed the market information in a normal order book fashion.


8. I started using TT's MD Trader right around the time that TT launched it as a product. Once I started using the product, I knew that this was a great idea. The product proved to be a huge improvement over the trading tools that existed at the time. The static nature of the prices allowed the trader to see the movements in the market depth much easier through a more intuitive screen. This allowed a trader to recognize opportunities much quicker. Also, MD Trader provided for the ability to quickly enter orders at various price levels without the possibility of error because there was no risk of the prices changing while the trader was attempting to enter an order with the mouse. The one-click recentering feature of MD Trader was also very valuable because it allowed the trader to quickly bring the display of the market to the center of the screen. I had never seen any of these features in preexisting electronic trading tools.

9. Because of the more intuitive trading screen and the improved fast and reliable order entry and management, the MD Trader screen allows for traders to react much more quickly to fast changing market conditions than the preexisting systems. Speed is a critical issue for electronic traders. Anything that allows a trader to decrease the time it takes to recognize an opportunity and send an order to the exchange is invaluable. One of the most impressive things about MD Trader is the fact that prior to its release traders did not even perceive a problem with the old tools they were using. It was not until seeing the benefits of MD Trader, did they realized the shortcomings of the old order book type screens.

10. After TT launched MD Trader, many competitors of TT released screens that duplicated the static price, the improved order entry and the recentering features of MD Trader. In fact, most independent software vendors ("ISVs") have come out with a copy of the MD Trader screen. These competitors needed to do this because potential customers, such as myself, told them that TT's MD Trader screen was far superior from their traditional order book type screens. In fact, I told representatives from competitors of TT, including Patsystems and Eccoware, that they should not even bother trying to pitch me their systems until they put a screen like MD Trader into their product.

11. At the time of the MD Trader launch, I recall being surprised that Harris Brumfield permitted TT to launch MD Trader as a product as opposed to keeping the technology for himself. I believe that it is likely that if Harris Brumfield had not decided to permit TT to put MD Trader out there, we would still be using traditional order book type screens today as the standard way of doing order entry.

I declare under penalty of perjury that the foregoing is true and correct. Executed on July 27, 2004.


Ray Calhman