

11/14/2001

To Our CME Group Trading Community,

On Friday afternoon, CME Group took two very important steps to further protect CME Group customers from the failure of MF Global:

- First, CME Group has offered a \$250 million guarantee to assist the bankruptcy trustee in releasing additional customer assets – including currently frozen cash balances – that continue to be held securely at CME Clearing, other clearing houses and MF Global custodians. Though CME Clearing does not guarantee FCM-held assets, this action is intended to give the trustee greater latitude to make an interim distribution of cash to customers now, given the considerable work he still has yet to do to complete the MF Global liquidation and make distributions to creditors. The guarantee would provide the trustee access to additional funds if a partial distribution of the remaining cash was found to have given some customers greater amounts than they would have been entitled to in the full claims process to follow.
- Second, the CME Trust will make \$50 million in assets available to offset losses by CME Group customers due to MF Global's improper handling of funds held at the firm level. As you may know, our Trust was established in 1969 to provide assistance in the case of a clearing member failure.

More details on our announcement are available in the [attached](#) press release.

While we understand this is complex, we believe this extraordinary measure is necessary to ensure that all customers are treated fairly during the unique and challenging circumstances surrounding the failure of MF Global. We continue to work with the Trustee to return all of the remaining segregated funds to customers as soon as possible as allowed by law.

Our main concerns continue to be the protection of our customers and the integrity of all futures markets. The MF Global situation calls for extreme measures, and we will continue to advocate on behalf of customers – wherever they clear or trade.

