



Advisory Notice

Clearing House

11-451

TO: Clearing Member Firms

FROM: CME Clearing

DATE: December 15, 2011

RE: Final information regarding the third interim distribution of customer funds to clients of **MF Global Inc**

On Friday, December 9, 2011 the U.S. Bankruptcy Court approved a petition by the SIPC Trustee for a bulk transfer and distribution of up to \$2.1 billion to former MF Global Inc. commodities customers. The intent of this third distribution is to restore 72% of US segregated customer property to all commodities customers on a pro rata basis. As such, many US segregated customers who have already taken part in one of the first two interim distributions or have yet to receive a distribution may be entitled to receive further funds. The distribution for each account will be calculated based on the Net Liquidating Value on the day prior to transfer.

CME Clearing is assisting in this third interim transfer which will be administered in the same manner as in the previous interim distributions. That is to say, a number of clearing firms have agreed to accept the accounts of former MF Global customers and allow them the opportunity to trade, or simply access their funds. Clients are asked to email CME Clearing at the following address to attain information about the clearing firm administering their accounts:

clearinginformation@cmegroup.com

CME Clearing will begin facilitating the distribution of funds to each clearing firm on Thursday, December 15. These firms will undertake the significant administrative task of opening individual client accounts and facilitating trading access or funds dispersal to affected customers. Due to the reconciliation effort involved by receiving firms, customers are asked for patience in dealing with account requests. Firms are expected to release funds to customers by Wednesday, December 21.

This notice sets out further details about the third interim distributions of which clearings firms and clients should be aware.

- The distribution takes into account cash and the haircut value of securities held in US segregated accounts. Non-cash assets may be subject to transformation to cash by the Trustee. Any amounts held in non-USD balances will be converted to USD by the Trustee and be accessible from receiving firms in USD only.

- Since assets held in secured accounts are subject to consultation with foreign insolvency practitioners, they are generally not included in this distribution. However, any identified debit balances remaining in customer accounts at MF Global, including 30.7 customer secured accounts or delivery accounts, will reduce the gross amount on which the customer segregated account distribution is calculated.
- The Trustee has informed CME that, in determining the net liquidating value for affected client accounts, dishonored checks have been added back into the gross amount on which the customer segregated account distribution is calculated.
- In general, warehouse receipts and shipping certificates are being taken into account by the Trustee for this third interim distribution. Individual account circumstances will be taken into account in determining the disposition of warehouse receipts and/or shipping certificates in the third distribution. Additional information will be forthcoming next week.
- Only clients of MF Global Inc. are eligible to take part in this distribution. Clients of non-US affiliates of MF Global are requested to turn to the administrators of the relevant jurisdiction for further information about their accounts.