

Notice to clients

3 April 2012

MF Global Australia Limited (In Liquidation) (MFGA, the Company)

Dear client

1. Court proceedings and client representatives

The proceedings commenced by the Liquidators in the Supreme Court of New South Wales (Proceedings No. 2011/411117) in relation to the funds held in Client Segregated Accounts (CSAs) and Recoveries made by the Liquidators since the date of their appointment (as well as future Recoveries), were heard in Court for further directions on **2 April 2012**. The key points to note following this directions hearing are:

- **Practical Human Resource Solutions Pty Ltd** was appointed to represent the non-client creditors
- **Kimblax Investments Pty Ltd** was appointed to represent the clients of MFGA that held no open positions on the date that Administrators were appointed (Cash Only Clients). This representation at this time, is limited to advancing arguments to the effect that clients' claims which are not referable to open positions held by the client on the date the Administrators were appointed to MFGA, should be given a priority in the distribution of the funds in the CSAs, ahead of the portion of any clients' claims that are referable to the open positions held at the date of the Administration.
- A full list of the representative parties appointed to date appears below:

Class	Representative
CFD account clients	RMF Management Services Pty Ltd
Futures account clients	GrainCorp Operations Limited
Margin FX account clients	The GFL Group Pty Limited
Online FX account clients	Underdog Clothing Pty Ltd
Cash Only Clients	Kimblax Investments Pty Ltd
Non-client creditors	Practical Human Resource Solutions Pty Ltd

The matter is next listed before the Court for directions on 23 April 2012. Applications by other parties who wish to be joined to the proceedings as defendants in their own right should be filed and served by 13 April 2012 and returnable on 23 April 2012.

The Liquidators have commenced separate proceedings against MF Global Singapore Pte Limited (Provisional Liquidators Appointed), in relation to the issues affecting 11 of the CFD CSAs, (being Proceedings number 2012/102788). Both the court proceedings are to be heard together.

Questions regarding the court process should be directed by e-mail to mfgaustralia@deloitte.com.au . It would be helpful if the subject line of your e-mail is "MFGA Court Process".

2. Court proceedings - MFGUK and ASX

As outlined in our update to clients dated 20 March 2012 the Court has granted the application to adjourn the hearing until a date on or after 13 April 2012. The matter was adjourned to 27 April 2012.

The Liquidators held further discussions with Mike Pink, Special Administrator of MFGUK, in Sydney on 30 March 2012. These discussions were productive and both parties continue to progress this matter.

3. Committee of Inspection

Members were elected to the Committee of inspection at the Second Meeting of Creditors held in Sydney NSW on 2 March 2012. The first meeting of the Committee of Inspection is to be held on 4 April 2012.

4. Sale / transfer of client debt

We are aware a number of clients have been contacted by parties interested in purchasing client debts. It is not the role of the Liquidators to advise clients on these offers and you should seek your own legal advice on this matter

If client interest increases the Liquidators will consider releasing a policy regarding these transactions.

You should be aware there is likely to be a fee to cover the administrative cost to process the debt transaction in the records on MFGA. We are in the process of estimating this cost.



5. MFGA hotline and email account

The hotline and email account will not be manned during the Easter break:

Friday 6 April 2012 – Monday 9 April 2012 (inclusive)

Emails received over this period will be attended to after the Easter break.

Yours faithfully,

Chris Campbell
Joint Liquidator of MF Global Australia Limited (In Liquidation)