

Hearing Date: December 9, 2011
Time: 10:00 a.m. Eastern Time
Location: New York, New York

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

MF GLOBAL Inc.,

Debtor.

Case No. 11-2790 (MG) SIPA

**STATEMENT OF THE COMMODITY FUTURES TRADING COMMISSION
IN SUPPORT OF THE TRUSTEE'S EXPEDITED MOTION TO APPROVE FUTURE
TRANSFERS AND DISTRIBUTIONS FOR MF GLOBAL INC. UNITED STATES
COMMODITY FUTURES CUSTOMERS**

The U.S. Commodity Futures Trading Commission ("CFTC" or "Commission") files
this Statement in support of the Trustee's Expedited Motion to Approve Further Transfers and

Distributions for MF Global Inc. United States Commodity Futures Customers. (Doc. # 495.)

The Trustee's proposed transfers and distributions would result in the orderly and prompt return to customers trading on U.S. contract markets of two-thirds of their equity, as reflected on the books and records of MF Global Inc. ("MFGI"), while reflecting proper caution in light of the current shortfall of customer property.

The plan is also in accordance with the law, including the CFTC regulations accurately described in the Trustee's Omnibus Reply in support of the motion, filed December 7, 2011. (Doc. # 669.) In particular, the claims of commodity customers must be satisfied in full before any portion of MFGI's estate may be used to satisfy the claims of general creditors. 11 U.S.C. § 766(h); 17 C.F.R. § 190.08. As the Trustee notes, these distributions are to be made on a *pro rata* basis, with each account class treated as a separate estate, and all customer property, to the extent practicable, must be traced and attributed to the class to which it belongs. 17 C.F.R. § 190.08.

On November 29, 2011, the Trustee requested in writing that the Commission authorize the proposed transfers pursuant to 17 C.F.R. § 190.06(h)(2). The Commission granted this authorization by letter dated December 5, 2011 (Exhibit A hereto), concluding that the plan is both appropriate and in the public interest. In reaching this conclusion, the Commission noted the reserve that the Trustee will maintain, and took added comfort from the \$550,000,000 guarantee of the Chicago Mercantile Exchange Group, Inc., to provide security against the non-recovery of any potential overpayments. This Court should likewise authorize the Trustee to proceed. Meanwhile, the Commission will continue to work diligently, along with the Trustee, to identify and recover all MFGI customer property, and will assist the Court and the Trustee in

any way possible to ensure that such property is returned, promptly and equitably, to its rightful owners.

Respectfully submitted,

COMMODITY FUTURES TRADING COMMISSION

Dated: December 8, 2011
Washington, D.C.

By: /s/Martin B. White

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CERTIFICATE OF SERVICE

I hereby certify that on December 8, 2011, I caused the foregoing Statement of the Commodity Futures Trading Commission in Support of the Trustee's Expedited Motion to Approve Further Transfers and Distributions for MF Global Inc. United States Commodity Futures Customers to be served electronically via the Court's CM/ECF system.

/s/Martin B. White