



Court File No. 31-OR-207854-T

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

THE HONOURABLE MR.

JUSTICE COLIN L. CAMPBELL

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THURSDAY, THE 24TH

DAY OF NOVEMBER, 2011

**IN THE MATTER OF THE BANKRUPTCY OF
MF GLOBAL CANADA CO.,
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**ORDER
(FX CUSTOMER PAYMENT)**

THIS MOTION made on short notice by KPMG Inc., in its capacity as the trustee in bankruptcy (“the **Trustee**”) of MF Global Canada Co. (“**MF Global Canada**”) for authorization for the Trustee to make the FX Customer Payments (as hereinafter defined) was heard on this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report of the Trustee dated November 23, 2011 (the “**Trustee’s Report**”) and upon hearing the submissions of counsel for the Trustee, the Customer Representative Counsel, appointed by order of this Court dated November 14, 2011, and counsel for the Canadian Investor Protection Fund (“**CIPF**”).

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Trustee's Report filed by the Trustee in support of this motion be and it is hereby abridged such that the motion is properly returnable today and further service of notice of the motion is hereby dispensed with.

DEFINITIONS

2. The following terms shall have the following meanings ascribed to them:

- (i) "BIA" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
- (ii) "Corporate FX Account Letter" means the instruction letter from the Trustee to corporate FX Customers in the form attached as Schedule "F" to the Trustee's Report.
- (iii) "Corporate FX Customer Summary" means the summary of account information obtained by the Trustee from the books and records of MF Global Canada in respect of a particular corporate FX Customer supporting the Net Equity Calculation of such corporate FX Customer;
- (iv) "Court" means the Ontario Superior Court of Justice (In Bankruptcy and Insolvency);
- (v) "Date of Bankruptcy" means November 4, 2011;
- (vi) "Estate" means the bankruptcy estate of MF Global Canada;
- (vii) "FX" means foreign exchange;
- (viii) "FX Claim" means any right of any FX Customer against MF Global Canada in connection with any indebtedness, liability or obligation of any kind of MF Global Canada to the FX Customer related to online FX or corporate FX trading whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown based in whole or in part on facts existing prior to the Date of Bankruptcy, or which would otherwise be a claim provable in bankruptcy against MF Global Canada;
- (ix) "FX Customer" means any Person that appears on the books and records of MF Global Canada as a customer (as that term is defined in section 253 of the BIA) of

MF Global Canada as at the Date of Bankruptcy who dealt in online FX or corporate FX trading through or with MF Global Canada;

- (x) “FX Customer Documents” shall have the meaning ascribed in paragraph 3 hereof;
- (xi) “FX Customer Payments” shall have the meaning ascribed in paragraph 3 hereof;
- (xii) “Net Equity” means the amount of net equity (as that term is defined in section 253 of the BIA) of each FX Customer related to its FX Claim;
- (xiii) “Net Equity Calculation” means the amount of Net Equity as calculated by the Trustee from the books and records of MF Global Canada as at the Date of Bankruptcy, which may be calculated in US dollars if the reference transactions relate to US dollars, and may be calculated in Canadian dollars if the reference transactions are in any other currency, including Canadian dollars, at the discretion of the Trustee;
- (xiv) “Net Equity Payment” means the payment made to each FX Customer as described in paragraph 3 hereof, which payment may be made in Canadian dollars or US dollars, at the discretion of the Trustee;
- (xv) “Person” includes any individual, partnership, joint venture, trust, corporation, unlimited liability company, unincorporated organization, government body or agency, howsoever designated or constituted; and
- (xvi) “Retail FX Account Letter” means the instruction letter from the Trustee to online/retail FX Customers in the form attached as Schedule “E” to the Trustee’s Report.

FX PAYMENTS

3. **THIS COURT ORDERS** that the Trustee shall, no later than seven (7) days following the making of this Order, send to each FX Customer, in accordance with paragraph 11 hereof, a cheque payable to such FX Customer in the amount of the Net Equity Calculation of such FX Customer (collectively, the “**FX Customer Payments**”), together with either: (i) the Retail FX Account Letter; or (ii) the Corporate FX Account Letter and the Corporate FX Customer Summary (collectively, the “**FX Customer Documents**”), as applicable.

4. **THIS COURT ORDERS** that, in the event that the Net Equity Payment is deposited, endorsed or otherwise negotiated by or for the benefit of the FX Customer named thereon, such

FX Customer's Net Equity shall be deemed to be paid and credited by the amount of the Net Equity Payment; provided that the deposit, endorsement or negotiation of the cheque by or for the benefit of an FX Customer shall be without prejudice to the ability of such FX Customer to assert a claim for Net Equity in excess of the Net Equity Payment or any other claim against the estate of MF Global Canada.

PROTECTIONS FOR TRUSTEE

5. **THIS COURT ORDERS** that: (a) in carrying out the terms of this Order, the Trustee shall have all of the protections given to it by the BIA and as an officer of this Court, including the stay of proceedings in its favour; (b) the Trustee shall not incur any liability or obligation as a result of the carrying out of the provisions of this Order, (c) the Trustee shall be entitled to rely on the books and records of MF Global Canada without independent investigation, and shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

6. **THIS COURT ORDERS** that the Trustee is authorized to borrow or enter into support agreements with CIPF to facilitate the FX Customer Payments.

7. **THIS COURT ORDERS** that all advances or payments by CIPF under any loan or support agreement as between the Trustee and CIPF to facilitate the FX Customer Payments shall be deemed to form part of the "customer pool fund" as defined in section 261 of the BIA and shall be repaid from the assets in the customer pool fund following the allocation of such fund pursuant to paragraphs 262(1)(a) and (b) of the BIA; provided that the portion of the customer pool fund allocated to any customer who is not entitled to compensation from CIPF or to receive any further compensation from CIPF shall be calculated so as to exclude any allocation of funds paid or advanced by CIPF (the "**CIPF Exclusion**"). For greater certainty, CIPF shall be entitled to be repaid in priority to any allocation pursuant to paragraph 262(1)(c) of the BIA.

8. **THIS COURT ORDERS** that the payment of the Net Equity Payment to any FX Customer pursuant to the terms of this Order shall be without prejudice to the Trustee's rights to seek to recover from such FX Customer the amount by which such FX Customer's Net Equity Payment exceeded its Net Equity.

9. **THIS COURT ORDERS** that the Trustee's Report, and the activities of the Trustee referred to therein be and are hereby approved.

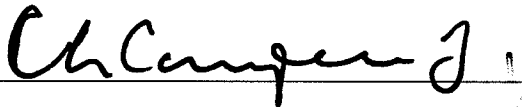
DIRECTIONS

10. **THIS COURT ORDERS** that the Trustee may, at any time, and with such notice as this Court may require, seek directions from the Court with respect to this Order.

SERVICE AND NOTICE

11. **THIS COURT ORDERS** that the Trustee shall post a copy of this Order on its website at "www.kpmg.ca/mfglobalcanada" by no later than seven (7) days following the making of this Order.

12. **THIS COURT ORDERS** that, except where alternative arrangements have been made between the Trustee and Customer Representative Counsel in respect of particular FX Customers, the Trustee shall deliver the Net Equity Payment and the FX Customer Documents to each FX Customer by prepaid ordinary mail at the address as last shown for such FX Customer in the books and records of MF Global Canada.



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PROCEEDINGS COMMENCED AT TORONTO

**ORDER
(FX CUSTOMER PAYMENT)**

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in its capacity as trustee in bankruptcy of
MF Global Canada Co.