

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE MR.)
JUSTICE COLIN L. CAMPBELL)
MONDAY, THE 14TH 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
(RE ACCOUNT TRANSFER, SUPPORT AND VESTING)

THIS MOTION made on short notice by KPMG Inc., in its capacity as the trustee in bankruptcy ("**Trustee**") of MF Global Canada Co. ("**MF Global Canada**") was heard on this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Trustee dated November 11, 2011 (the "**Trustee's Report**") and the Supplement to the First Report dated November 13, 2011 (the "**Supplementary Report**") and on hearing the submissions of counsel for the Trustee, the Investment Industry Regulatory Organization of Canada ("**IIROC**"), the Canadian Investor Protection Fund ("**CIPF**") for RBC Dominion Securities Inc. ("**RBC DS**") and Stikeman Elliott LLP as representative counsel for the Customers (as defined in the Customer Representative Counsel Order dated November 14, 2011) ("**Representative Counsel**"), Friedberg Mercantile Group and Canadian Derivatives Clearing Corporation, no one else appearing.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record and the Supplementary Motion Record filed by the Trustee in support of this Motion, be and it is hereby abridged such the Motion is properly returnable today.
2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Account Transfer and Support Agreement attached as Schedule “D” to the Trustee’s Report (the “Account Transfer and Support Agreement”).
3. **THIS COURT ORDERS** that the Account Transfer and Support Agreement, substantially in the form attached as Schedule “D” to the Trustee’s Report be and the same is hereby approved and the execution of the Account Transfer and Support Agreement by the Trustee is hereby authorized, with such minor amendments as the Trustee and the Transferee may deem necessary, and the Trustee be and is hereby authorized and directed to complete the transfers of the Transferred Accounts (the “**Account Transfers**”) to RBC DS (the “**Transferee**”) pursuant to and as contemplated by the Account Transfer and Support Agreement.
4. **THIS COURT ORDERS** that the Trustee is hereby authorized and directed to execute and deliver, any and all agreements, instruments and additional documents in connection with the Account Transfer and Support Agreement and the transactions contemplated therein as may be necessary or desirable, and to implement, fully perform and take any and all additional actions as may be necessary or desirable to consummate the Account Transfers and to perform its obligations (including in respect of the Transition Support Services) under the Account Transfer and Support Agreement.
5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Trustee’s Certificate to the Transferee substantially in the form attached as Schedule “A” hereto, all of MF Global Canada’s and the Trustee’s right, title and interest, if any, in and to the Transferred Accounts shall vest absolutely in and to the Transferee, free and clear of any and all Claims, security interests (whether contractual, statutory or otherwise), hypothecs,

mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges, and encumbrances, or other financial or monetary Claims, whether or not they have attached or been perfected, registered, or filed and whether secured, unsecured or otherwise, including without limiting the generality of the foregoing the Liquidity Support Charge granted herein pursuant to section 13, all charges, security interests or Claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system, other than rights and security interests of recognized exchanges or third parties holding security interests to the extent of the obligations secured thereby (collectively, the “**Encumbrances**”), and for greater certainty all Encumbrances against the Transferred Accounts are hereby expunged and discharged as against the Transferred Accounts and the Closing Time shall be deemed to have occurred upon delivery of the Trustee’s Certificate.

6. **THIS COURT ORDERS AND DIRECTS** the Trustee to file with this Honourable Court a copy of the Trustee’s Certificate, forthwith after delivery thereof.
7. **THIS COURT ORDERS** that the Account Transfers are hereby approved as a necessary step to implement the efficient administration of the bankruptcy of MF Global Canada and neither the Trustee, IIROC, CIPF, Callidus Capital Corporation, in its capacity as Customer Representative, or the Customer Representative Counsel shall have any personal liability in connection with the carrying out of the Account Transfers.
8. **THIS COURT ORDERS** that pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Trustee be and is hereby authorized and directed to provide to the Transferee all such customer account or personal information contained in the documentation relating to the Transferred Accounts and in the books and records of MF Global Canada that is necessary or desirable for the Trustee and the Transferee to carry out the Account Transfers and the transactions contemplated in the Account Transfer and Support Agreement. The Transferee shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it a manner which is in all material respects

substantially similar to the prior use of such information by MF Global Canada and the Transferor.

9. **THIS COURT ORDERS** that by accepting the Transferred Accounts pursuant to, and in performing its obligations under, the Account Transfer and Support Agreement, the Transferee, its affiliates, successors, and assigns shall not incur any liability or responsibility whatsoever, for or in connection with:
- (a) any Claim by any Transferred Customer or Person, including against MF Global Canada or the Trustee relating to or in connection with the bankruptcy of MF Global Canada, the Transferred Accounts or otherwise, including without limiting the generality of the foregoing, arising from, relating to or in connection with the state, operation, management or control of any Transferred Account, investment, management of investments, failure to segregate customer funds or any act taken, not taken or which may have been taken by MF Global Canada or the Trustee up to the Closing Time; or
 - (b) any Claim other than in respect and to the extent of the Transferred Accounts after the Closing Time;
 - (c) any Claim by any Transferred Customer or Person against the Transferee for any action taken by the Transferee to request additional margin or collateral in respect of the Transferred Accounts or to liquidate open positions in the Transferred Accounts as a result of the insufficiency of the related Transferred Customer Collateral; or
 - (d) any claims provable (as such term is defined in section 121 of the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”)) against the bankruptcy estate of MF Global Canada.
10. **THIS COURT ORDERS** that the Transferee shall be entitled in respect of any Transferred Account to request from a Transferred Customer additional margin or collateral in respect of the Transferred Account or to liquidate open positions in any

Transferred Account as a result of an insufficiency of the related Transferred Customer Collateral.

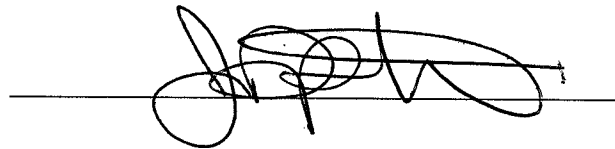
11. **THIS COURT ORDERS** that prior to the appointment of inspectors of the bankruptcy estate of MF Global Canada, the Trustee is authorized to borrow or enter into support agreements with CIPF to facilitate the transfer of customer accounts from time to time as it may consider advisable, including, without limitation, the “Liquidity Support” provided to the Trustee from CIPF and described in the Supplementary Report.
12. **THIS COURT ORDERS** that, subject to paragraph 13 hereof, all advances or payments by CIPF under any loan or support agreement as between the Trustee and CIPF 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.
13. **THIS COURT ORDERS** that as security for the Trustee’s obligation to repay the liquidity support, CIPF shall be entitled to the benefits of and is hereby granted a charge (the “**Liquidity Support Charge**”) on all of the property vested in the Trustee and that the Liquidity Support Charge shall have priority to all claims, interests, security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person, but subject to: (i) with respect to customers of Excluded Accounts that are not protected by CIPF coverage, 80% of the “net equity” (as defined in section 253 of the BIA) of such customer in the customer pool fund, subject to application of the CIPF Exclusion; and (ii) with respect to the customers of Excluded Accounts that are protected by CIPF coverage, to the extent of the “net equity” (as defined in section 253 of the BIA) of such customer in the customer pool fund.

14. **THIS COURT ORDERS** that the Transferee shall be entitled to the benefits of and is hereby granted a charge in the amount of \$50,000.00 (the "**Transferee's Charge**") on the property in the "general fund" of the estate of MF Global Canada to secure the Transferee's entitlement to receive payment of the Expense Reimbursement from the Transferor out of the "general fund" pursuant to section 8.6 of the Account Transfer and Support Agreement, and that the Transferee's Charge shall have priority to all claims or interests described in section 262(3)(c) and (d) of the BIA. For greater certainty, the Transferee shall be entitled to be paid following the allocation of such fund pursuant to paragraphs 262(1)(a) and (b) of the BIA and in priority to any allocation pursuant to paragraph 262(1)(c) of the BIA.
15. **THIS COURT ORDERS** that the Transferee, its affiliates, successors or assigns shall not be or be deemed to be, as a result of the Account Transfers, the Account Transfer and Support Agreement, or any steps taken in connection therewith, (a) subject to any liability or responsibility for any claims provable (as that term is defined in section 121 of the BIA) against the estate in bankruptcy of MF Global Canada (whether by reason of such transfer or otherwise); (b) a successor to MF Global Canada other than in respect of the Transferred Accounts; (c) to have de facto or otherwise, merged with or into MF Global Canada; or (d) acquiring or assuming any obligation of MF Global Canada whatsoever other than as expressly provided under the Account Transfer and Support Agreement.
16. **THIS COURT ORDERS** that, except to the extent that section 262(2.1) of the BIA applies, the claim of any Transferred Customer under section 262 of the BIA shall be deemed to have been paid and reduced by the amount actually transferred to the Transferee in respect of such Transferred Customer's Transferred Account pursuant to the Account Transfer and Support Agreement.
17. **THIS COURT ORDERS** that the terms of this Order do not prejudice the rights of the Trustee, other than as against the Transferee, to recover by legal process against any customer any amount that is transferred to the credit of such customer pursuant to the

Account Transfer and Support Agreement to the extent that such amount exceeds the “net equity” claim of such customer in the estate as of the date of bankruptcy.

18. **THIS COURT ORDERS** that the Trustee may use and seek the assistance of any futures or derivatives clearing organization, exchange or other clearing organization custodian or other intermediary to facilitate the Account Transfers (the “**Facilitating Clearing Organizations**”).
19. **THIS COURT ORDERS** that the Facilitating Clearing Organizations are hereby authorized to consummate the Account Transfers to the Transferee and to take all other actions necessary in furtherance thereof to complete the Account Transfers directed by the Trustee and shall have no liability for any actions taken in furtherance of this Order.
20. **THIS COURT ORDERS** that, notwithstanding paragraphs 5 and 13 hereof, nothing herein shall be deemed to preclude, limit or in any way interfere with the Facilitating Clearing Organizations from unilaterally liquidating any positions, including positions designated to be transferred by the Trustee to the Transferee under the Account Transfer and Support Agreement or from taking any actions or exercising any rights consistent with and in accordance with applicable law.
21. **THIS COURT ORDERS** that the *Bulk Sales Act* (Ontario) does not apply to the transactions contemplated under the Account Transfer and Support Agreement.
22. **THIS COURT ORDERS** that the Trustee may from time to time apply to this Court for advice and directions in the discharge of the Trustee’s powers and duties hereunder.
23. **THIS COURT ORDERS** that the Trustee shall give notice of this Order to customers by: (a) posting a copy of this Order on the Trustee’s website at www.kpmg.ca/mfglobalcanada and (b) e-mailing or mailing a copy of this Order, together with the Notice of Bankruptcy required by Section 102(c) of the BIA, and that compliance with the foregoing shall constitute adequate notice to the customers of this Order.

24. **THIS COURT ORDERS** that the Trustee's Report and the Supplementary Report, and the activities of the Trustee, as described in the Trustee's Report and the Supplementary Report, be and are hereby approved.
25. **THIS COURT ORDERS SEEKS AND REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Trustee carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Trustee in any foreign proceeding, or to assist the Trustee in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to read 'Giuseppe Di Pietro', is written over a horizontal line. The signature is stylized and cursive.

**Giuseppe Di Pietro
Registrar**

Schedule A – Form of Trustee’s Certificate

Court File No. 31-OR-207854-T

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

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

TRUSTEE’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Colin L. Campbell of the Ontario Superior Court of Justice (the “**Court**”) dated November 4, 2011, KPMG Inc. (the “**Trustee**”) was appointed as the trustee in bankruptcy of the estate of MF Global Canada Co. (the “**Corporation**”).

B. Pursuant to an Order of the Court dated November 14, 2011, the Court approved the Account Transfer and Support Agreement made as of November ●, 2011 (the “**Account Transfer and Support Agreement**”) between the Trustee, as transferor, and RBC Dominion Securities Inc., as transferee (the “**Transferee**”) and provided for the vesting in the Transferee of the Corporation’s and the Trustee’s right, title and interest in and to the Transferred Accounts, which vesting is to be effective with respect to the Transferred Accounts upon the delivery by the Trustee to the Transferee of a certificate confirming: (i) that the conditions to Closing as set out in Section 5.2 of the Account Transfer and Support Agreement have been satisfied or waived by the Trustee and the Transferee; and (ii) the transactions contemplated by the Account Transfer and Support Agreement have been completed to the satisfaction of the Trustee.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Account Transfer and Support Agreement.

THE TRUSTEE CERTIFIES the following:

1. The conditions to Closing as set out in Section 5.2 of the Account Transfer and Support Agreement have been satisfied or waived by the Trustee and the Transferee; and
2. The transactions contemplated by the Account Transfer and Support Agreement have been completed to the satisfaction of the Trustee.
3. This Certificate was delivered by the Transferee at [TIME] _____ on [DATE] _____.

**KPMG INC., in its capacity as Trustee in
Bankruptcy of the estate of MF GLOBAL
CANADA CO., and not in its personal or
corporate capacity**

Per: _____
Name:
Title:

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

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

PROCEEDINGS COMMENCED AT TORONTO

ORDER

(RE ACCOUNT TRANSFER, SUPPORT AND VESTING)

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