From: Phil Scarlett

Sent: Saturday, 28 January 2012 12:06 AM

To: Client Money

Subject: unreasonable behaviour from Deloitte in MFGlobal segregated account distribution

My Personal Circumstances

The collapse of MF Global has sent a shock wave through the futures trading community that has been felt around the world. Unfortunately I have also been caught up in it as MF Global held $47,000 of my funds.

Don't Accept the "Complexity" Line Being Promoted By Deloitte

Deloitte are engaging in disinformation and divisive behaviour. They are doing this to create conflict amongst clients. They are doing it in the hope the conflict will lead to legal action by groups of clients. They are doing this because it's in their interest for the administration to become a prolonged, drawn out, bogged down court riddled affair where they and their lawyers will continue to generate excessive fees.

The key word for their excuse to nudge MFGA down this slippery and dangerous court riddled path is "complexity".

"Complexity" has become Deloitte's byword for all excuses - excessive analysis, excessive servicing, excessive fees, excessive feet dragging and excessive inaction in pursuing a partial distribution of client property back to clients.

"Complexity" only exists in Deloitte's mind.

Let's be straight here and understand the Key Facts and Key Points

Key Facts

- Pools are defined by Product (Futures, CFDs, Online FX)

- Execution risk is a personal risk.
- Pool risk is a group risk.

Key Point

These Key Facts are clearly defined and agreed to by every futures and OTC trader as outline in Client Agreements.

These are industry conventions and practice.

Deloitte should be following industry convention and the agreements signed by all MFGA clients.

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Accordingly they should use the close out price as the final settlement price. Remember execution risk is a personal risk.

Deloitte should be applying on a pro-rata basis any shortfall in settlement collection across all accounts in the relevant pools.

All MFGA clients know this. We have all signed risk disclosure statements and client agreement forms.

There is nothing complex about it.

Yet it is a major theme behind their excuses for not facilitating a partial distribution to clients.

To suggest the administration is "complex" is purely opportunism by Deloitte and abuse of their position in an attempt to prolong the administration and generate more fees.

We have to remember that Deloitte, at the end of the day, is essentially providing an independent back office settlement function. Independently collecting funds and reconciling both their (MFGA) bank accounts and customer trading statements. They should be doing it according to industry practice. To suggest it's a complex task is misleading.

Deloitte are purely being opportunistic to leverage and exploit their position of power to engage in excessive servicing and fee charging.

When they go to court to seek directions Deloitte will be exposed for their self interest betrayal of industry convention and practice. They will be shown for attempting to re-define market conventions for their own advantage. Deloitte will be exposed for their greedy and opportunistic behaviour. Shame on Deloitte.

Action should be taken to stop this blatant rort.

Monies Recovered

Estimated Fund Recovery 14th Dec 2011;

Pool	Funds	Collected %
CFD	$84m	81%
Futures	$208m	71%
Online FX	$16m	81%
Online FX	$5m	80%
Total	$313m	74%

MFG Locations That Have Agreed To An Early Partial Distribution:

The US

Canada

The UK

Singapore

Hong Kong

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