

F.A.O GAVIN

FSCS Ref: MFGLO06242  
(Please quote this reference when contacting us)



**PRIVATE AND CONFIDENTIAL**

Mr Keith Hickman  
Keith & Vanessa Hickman Pension Scheme  
74 Gospel End Road  
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Dudley  
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United Kingdom

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28 February 2012

Dear Mr Hickman

**MF GLOBAL UK LIMITED ("MF Global")  
APPLICATION FOR COMPENSATION**

I am writing to you as we understand you invested with MF Global and you may wish to make a claim for compensation after the formal insolvency of the firm. Your contact details have been provided to us by the Special Administrators of MF Global, KPMG LLP.

MF Global is "in default" for the purpose of FSCS. This means FSCS is able to consider claims for compensation against the firm.

**The Role of FSCS**

FSCS is an independent body set up under the Financial Services and Markets Act 2000 and is the UK's statutory fund of last resort for customers of financial services firms. This means FSCS may pay compensation if a financial services firm is unable, or likely to be unable, to pay claims against it which are eligible for compensation.

In relation to claims against investment firms, such as MF Global, there is a limit to the amount of compensation we can pay. For investment claims the limit is £50,000, per claimant, per firm. If you believe your losses exceed our £50,000 compensation limit, please read the attached form before pursuing your claim for compensation with FSCS. We can accept claims from individuals, small businesses, trusts and charities (which are small businesses) and can only pay compensation for financial loss.

FSCS operates under a set of rules written by the Financial Service Authority (FSA) – the Compensation, or "COMP", Rules. These can be found in the 'Redress' section of the FSA's Handbook (which is available on the FSA's website: [www.fsa.gov.uk](http://www.fsa.gov.uk)). The Rules set out who is eligible to benefit from the protection provided by FSCS (an "eligible claimant"). For example, we can only accept claims from individuals and small businesses, trusts and small charities (which are small businesses). Overseas financial services institutions and large businesses are excluded. Full details of who is eligible to benefit from FSCS protection can be found in subsection 4.2 of the COMP Rules.

Publications available on our website provide more information about how we handle claims for compensation: [www.fscs.org.uk/what-we-cover/publications/](http://www.fscs.org.uk/what-we-cover/publications/).

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Registered as a Limited Company in England and Wales No 3943048. Registered office as stated.



**MF Global UK Limited**

**FSCS claim reference: MFGLO06242**

**Name:**

In relation to claims in respect of Investment business, FSCS's maximum compensation payment is £50,000 per person. In the event that your claim is found eligible for compensation under the FSCS's rules, and if you accept our payment, you will also be agreeing to transfer (assign) all of your legal rights against MF Global to FSCS for the full amount of your loss, not just for the amount of compensation we have paid to you. This will mean that you will no longer be able to claim through KPMG (MF Global's Special Administrators) against the MF Global estate, but that FSCS will be able to claim instead of you.

However, if FSCS calculates your losses to be more than our £50,000 maximum, and you accept our compensation, we will pass any subsequent KPMG dividend payments back to you when we receive them until such time as you have been fully compensated for your full loss, in accordance with the procedures set out in our rules. FSCS will then recover any additional KPMG payments to offset the cost of the compensation we previously paid to you.

Accordingly, if you expect your losses to be over £50,000 you can either choose to:

- a) accept the FSCS compensation first and await further KPMG dividend payments to be paid to us and then passed on to you, as appropriate, or**
- b) accept the KPMG payments first and then make a claim to FSCS at a later date for any outstanding losses you may have.**

If you choose a) please complete and return the FSCS application form. If you choose b) please indicate below that you do not wish to make a claim to FSCS at this time but pursue your claim through KPMG first; please then return this form using the envelope provided. The full FSCS application form should be returned at a later date for claims for outstanding losses you have made.

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I do not wish to make a claim to FSCS at this time but will pursue my claim through KPMG first.