



For Immediate Release---

## **FIA Establishes Task Force to Respond to MF Global**

Washington, D.C.—Jan. 24, 2012—The Futures Industry Association announced today that it has established a special committee to address issues related to the bankruptcy of MF Global. The Futures Market Financial Integrity Task Force will develop and recommend specific measures that can be implemented in the near term through both industry best practice and regulatory change. In addition to these measures, the FIA intends to work with end-users and other market participants to examine the adequacy of current customer funds protection models in response to concerns raised by the MF Global bankruptcy.

“The FIA looks forward to partnering with end-users, regulators, legislators and clearinghouses to restore customer confidence in the futures markets,” said Michael Dawley, chairman of the FIA and managing director, Goldman Sachs & Co. “Although we still do not know for certain what caused the significant shortfall in customer segregated funds required to be held at MF Global, any loss of customer assets is entirely unacceptable and the reasons for the deficiency need to be identified.”

The task force will be headed by a steering committee consisting of a diverse group of futures commission merchants with institutional, commercial and retail customer bases as well as representatives of other industry segments. Initial recommendations are expected to be presented no later than the FIA International Futures Industry Conference in Boca Raton, Fla. on March 13-15.

In particular, the task force will consider such areas as:

- enhanced financial recordkeeping and reporting requirements;
- greater transparency regarding the investment of customer funds;
- internal control standards for the customer funds segregation process; and
- the adequacy of customer funds protections in the U.S. and abroad.

“The FIA is committed to producing practical and meaningful recommendations that regulators and FCMs can implement to further protect users of the listed derivatives markets,” Dawley said. “While some of these recommendations may require regulatory change, the FIA believes that many improvements can and should be implemented by the industry as soon as practicable.”

The FIA expects that the task force’s recommendations will be considered and implemented in conjunction with other initiatives announced in response to the collapse of MF Global as well as the “lessons learned” enquiry being conducted by the Commodity Futures Trading Commission.

The following firms have agreed to participate in the steering committee: Bank of America Merrill Lynch, Barclays Capital, Citigroup Global Markets, CME Group, Credit Suisse Securities, Deutsche Bank, Getco, Goldman Sachs, HSBC, IntercontinentalExchange, J.P. Morgan Securities, Morgan Stanley, Newedge and R.J. O’Brien & Associates.

## About the FIA

The FIA is the primary industry association for centrally cleared futures and swaps. Its membership includes the world's largest derivatives clearing firms as well as exchanges and clearinghouses from more than 20 countries. The FIA seeks to promote best practices and standardization in the cleared derivatives markets, provide policymakers with an informed perspective on the derivatives markets, and advocate for the interests of its members, its markets and its customers. The FIA strives to protect open and competitive markets, protect the public interest through adherence to high standards of professional conduct and financial integrity, and promote public trust and confidence in the cleared markets.

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