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November 3, 2011

Dear Clients & Associates,

As you are aware, BTR Trading Group is a futures broker whose trades clear MF Global, the US based Futures Commission Merchant who filed for Chapter 11 Bankruptcy protection on October 31, 2011. A liquidation of MF Global was initiated under the Securities Investor Protection Act of 1970 (SIPA) and a Trustee was appointed to oversee this liquidation. As a result of an apparent shortfall in customer segregated funds at MF Global, the bankruptcy court froze all assets in customer accounts of MF Global pending the instructions of the bankruptcy court reviewing the Chapter 11 filing.

During the asset freeze, BTR Trading Group has initiated a clearing agreement with Rosenthal Collins Group, LLC ("RCG"), a privately held Futures Commission Merchant with an 80 year history in futures markets. BTR Trading Group also instructed MF Global to transfer all customer accounts to RCG as soon as is possible under the law. It is our intention to continue our operations as an introducing futures broker through RCG.

We understand that as of this morning the Trustee for the SIPA liquidation requested and was granted permission from the bankruptcy court to move accounts holding segregated commodity positions along with the margin required to hold those positions to another brokerage firm in good standing.

Based on sources we believe to be reliable, we believe the following could happen in the coming days:

- BTR Trading Group's customer accounts at MF Global will begin the process of transferring in bulk to clearing firm RCG.
- First MF Global will transfer accounts holding existing futures positions, if any, and associated exchange margin. This may occur as soon as Thursday, November 3rd, but is more likely to occur by late Friday, November 4th.
- Please be aware that it may be a week or longer after the positions and exchange margin are transferred, for the majority of each customer's excess cash balances to be transferred from MF Global to accounts at RCG. However, we cannot be certain of any specific amount or time frame at this moment.
- If CTAs – prior to the transfer of excess cash balances – initiate trades that result in additional margin calls, we believe customers may be reluctant to add additional cash to their accounts, and therefore could be exposed to additional risk.
- We recommend that CTAs refrain from initiating new positions for a customer until that customer's excess cash balance is transferred.

The situation is very fluid and constantly changing. BTR Trading Group remains committed to protecting the assets of our customers. We will continue to provide updates as the situation changes. If you have questions regarding your account or this process, please do not hesitate to contact us.

Regards,

BTR Trading Group

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