

Futures Supplementary Product Disclosure Statement

Introduction

This Supplementary Product Disclosure Statement (SPDS) is dated 19 July 2007. This SPDS is issued by MF Global Australia Limited (MFGA) and supplements the Product Disclosure Statement issued by MFGA in relation to Futures on 19 July 2007 (PDS). This SPDS should be read together with the PDS.

Capitalised terms not defined in this SPDS have the meaning given to them in the PDS.

Clearing Arrangements

MF Global UK Limited (MFGU) is a related body corporate of MFGA and is a clearing participant of SFE Clearing. From 1 February 2007, MFGA intends to “give up” transactions it executes on SFE to MFGU for clearing and settlement, although MFGA will remain a clearing participant of SFE Clearing.

When you instruct MFGA to enter into a futures contract, you are taken to have given MFGA a direction under our terms and conditions to give up (i.e. allocate) the futures contract to MFGU, as clearing participant.

Under the new clearing arrangements, all transactions in futures contracts which MFGA executes on your behalf will be registered with the Clearing House in MFGU’s name and MFGU will incur obligations to the Clearing House as principal, even though the trade may have been entered into by MFGA on your instructions. MFGU will call margin and settlement amounts from MFGA, who in turn will call you for margin and settlement amounts in accordance with our terms and conditions.

References in the PDS to the clearing arrangements in place in relation to clearing of futures transactions executed on SFE should be read in light of these arrangements.

MFGU is exempt from the requirement to hold an AFSL in respect of any services it may provide in the course of carrying out clearing and settlement activities on SFE Clearing. MFGU is regulated by the Financial Services Authority of the United Kingdom under United Kingdom laws, which differ from Australian laws.

