

NGFA's MF Global Task Force Begins Work

A special NGFA task force comprised of representatives from the Risk Management Committee and Finance and Administration Committee, as well as two agribusiness lenders, conducted its initial conference call on Feb. 2.

The group is charged with reviewing the MF Global situation and its fallout, and developing recommendations with a view toward potential policy and/or regulatory changes to enhance customer protections and prevent another similar situation from occurring in the future. Among issues to be evaluated will be the

relationship of the Commodity Exchange Act and its customer protections to U.S. bankruptcy law; appropriate means to firewall customer funds; pros and cons of insurance coverage for commodity accounts; potential changes in how customer funds are held and allowed to be utilized; and other concepts.

The task force will conduct a meeting in Chicago on Feb. 29. NGFA members' input for that meeting is welcomed and may be transmitted to NGFA Director of Marketing/Treasurer Todd Kemp at tkemp@ngfa.org.