

Reduce each futures customer or Cleared Swaps Customer claim by the shortfall percentage:

<b>Customer</b>	<b>Claim in US\$</b>	<b>Allocated shortfall (non-sovereign)</b>	<b>Claim in U.S. dollars after allocated shortfall</b>
A	\$50	\$0	\$50.00
B	100	0	100.00
C	50	0	50.00
D	200	0	200.00
E	100	0	100.00
<b>Total</b>	<b>500.00</b>	<b>0.00</b>	<b>500.00</b>

#### REDUCTION IN CLAIMS FOR SHORTFALL DUE TO SOVEREIGN ACTION

Due to sovereign action, none of the money in Germany is available.

<b>Customer</b>	<b>Presumed location of funds</b>		
	<b>U.S.</b>	<b>U.K.</b>	<b>Germany</b>
A	\$50		
B	50	50	
C			50
D	100		100
E	50	50	
<b>Total</b>	<b>250.00</b>	<b>100.00</b>	<b>150.00</b>

Calculation of the allocation of the shortfall due to sovereign action—Germany (\$200 shortfall to be allocated):

<b>Customer</b>	<b>Allocation share</b>	<b>Allocation share of actual shortfall</b>	<b>Actual shortfall allocated</b>
C	\$50/\$150	33.3% of \$200	\$66.67
D	\$100/\$150	66.7% of \$200	\$133.33
<b>Total</b>			<b>\$200.000</b>

This would result in the claims of customers C and D being reduced below zero.