Rule 2 47

Form 2 24B(CH)

The Insolvency Act 1986

Administrators' progress report

Name of Company	Company number
MF Global Finance Europe Limited	06300839

In the High Court of Justice [full name of court]	Court case number 9585 of 2011

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)

Michael Robert Pink
KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Richard Heis
KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Joint Administrators of the above company attach a progress report for the period

(b) Insert dates

from	to
(b) 01 March 2016	(b) 31 August 2016

Signed

Joint Administrator

Dated 27 September 2016

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form The contact information that you give will be visible to searchers of the public record

Dipa Nambiar
KPMG LLP
15 Canada Square
London E14 5GL
United Kingdom

Tel 020 76946452

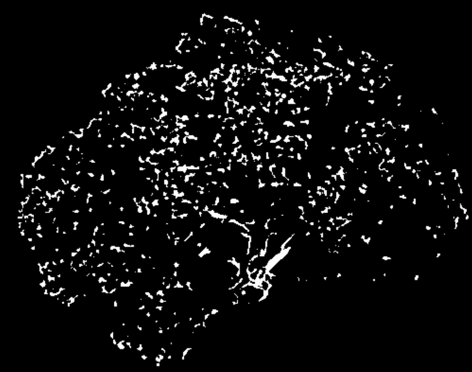
THURSDAY

A5GJWZC8
A14 29/09/2016 #190
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ **DX 33050 Cardiff**

KPMG



MF Global Finance Europe Limited (in administration)

Joint Administrators' tenth progress report for the period

1 March 2016 to 31 August 2016

27 September 2016

Notice: About this Report

This Report has been prepared by Richard Heis and Michael Robert Pink, the Administrators of the Company, solely to comply with their statutory duty under the Insolvency Rules 1986 on the progress of the administration of the Company, and for no other purpose It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context

Please note that on 22 July 2016 an order was made in the High Court removing Richard Dixon Fleming as Joint Administrator of the Company following his resignation from KPMG LLP

This Report has not been prepared in contemplation of being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or other companies in the same group

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors or other stakeholders Any person that chooses to reply on this Report for any other purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk

To the fullest extent permitted by law, the Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person

Richard Heis and Michael Robert Pink are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales The Administrators act as agents for the Company and contract without personal liability The appointments of the Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration

See notice About this Report All rights reserved

Glossary of terms

Administrators	Richard Heis and Michael Pink each of KPMG LLP
Canada Co	MF Global Canada Co
Canada Ltd	4298632 Canada Ltd
Company	MF Global Finance Europe Limited
Directors	Stephen John Craig (resigned 5 March 2012), Jon Ferber (resigned 20 March 2012), Russell Haley (resigned 30 March 2012)
Group	MF Global Holdings Limited and its subsidiaries
HMRC	HM Revenue and Customs
MFGFEL	MF Global Finance Europe Limited
MFGHOL	MF Global Holdings Overseas Limited
MFG Holdings	MF Global Holdings Limited
MFGOL	MF Global Overseas Limited
MFG Services	MF Global Services UK Limited
MFGUK	MF Global UK Limited
Proposals	Statement of Administrators' Proposals under Paragraph 49 of Schedule B1 of the Act
Regulator	UK Pensions Regulator
Report	Tenth progress report prepared by the Administrators pursuant to Rule 2 47 for the period 1 March 2016 to 31 August 2016
Weil	Weil, Gotshal & Manges
USD	US dollars

The references in this Report to Sections, Paragraphs or Rules are to the Insolvency Act 1986, and the Insolvency Rules 1986 (each as amended) respectively

See notice About this Report All rights reserved

Contents

	Page
Executive summary	4
Purpose of the Administrators' Report	6
Progress of the administration	8
Estimated outcome for creditors	12
Other matters	14
Appendices	

1 Statutory information

2 Administrators' time and cost analysis, including schedule of charge out rates

3 Receipts and payments account

4 Schedule of expenses

See notice About this Report All rights reserved

KPMG

Executive summary

Executive summary

Purpose and period of the Report

- This Report provides creditors with an update of the progress of the Company's administration for the period from 1 March 2016 to 31 August 2016

Objective

- The objective of the administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up without first being in administration

Progress since last Report

- Please note that on 22 July 2016 an order was made in the High Court removing Richard Dixon Fleming as Joint Administrator of the Company following his resignation from KPMG LLP
- The Company received USD 85,815 (approx £65,628) as a distribution from MF Global Finance USA Inc
- The Company also received a further dividend of 2 2p in the £ from MF Global UK Limited (in administration) This distribution was declared on 24 August 2016 and totalled £71,683

Future strategy and actions

- As previously advised, the Company's administration was due to end on 2 May 2016 In March 2016, the Administrators applied to Court to extend the administration for a further 36 months and the administration will now come to an end on 2 May 2019, if not terminated earlier or further extended
- The Administrators are aware that MFGOL has proposed a creditors voluntary arrangement ('CVA') If approved it would result in a further distribution to the Company of approximately £1,084,781 which may not otherwise be received As such the Administrators intend to vote in favour of the CVA
- The Administrators' activities remain focused on asset realisation The Administrators will continue to participate in distributions from MF Global Group companies in administration or liquidation In particular, the Administrators anticipate further dividends from MFGUK and MFGOL, assuming that the CVA is accepted
- The Administrators may declare further dividends in due course as further assets are realised and/or the Administrators are able to reduce the current reserves However, both the timing and quantum of these dividends are uncertain

Mike Pink

Joint Administrator

See notice About this Report All rights reserved

KPMG

Purpose of the Administrators' Report

Purpose of the Administrators' Report

- On 2 November 2011, the Administrators were appointed by the Company's Directors
- Please note that on 22 July 2016 an order was made in the High Court removing Richard Dixon Fleming as Joint Administrator of the Company following his resignation from KPMG LLP
- This Report has been prepared by the Administrators of the Company pursuant to Rule 2 47(3)(a) of the Rules It is the tenth formal update to creditors, with the previous report issued on 14 March 2016, which covered the period from 1 September 2015 to 29 February 2016
- This Report provides creditors with an update of the progress of the Company's administration for the period from 1 March 2016 to 31 August 2016

Creditors' Committee

- The Administrators regularly liaise with the creditors' committee and their advisers to review the progress of the administration and to consult on critical issues

Future Reports

- The Administrators' next formal progress report will be circulated within one month of the 28 February 2017 (six months after this report)

See notice About this Report All rights reserved

KPMG

Progress of the administration

Progress of the administration

The Administrators' previous reports set out the Company's background and the Administrators' strategy with respect to the realisation of the Company's assets This Report provides an update on the progress made by the Administrators since 1 March 2016

Canada Co and Canada Ltd

As noted in our prior report, the Company is owed CAD 7 6 million (£4 4 million) by Canada Ltd

- Canada Ltd is the sole shareholder of Canada Co
- Canada Co is in a bankruptcy process in Canada Canada Ltd is currently not in an insolvency process, but is dormant
- The Administrators understand that Canada Ltd will only be able to repay the debt if it receives a distribution from Canada Co's bankruptcy The Administrators continue to liaise with the bankruptcy trustees of Canada Co to determine if Canada Ltd will receive a distribution from its subsidiary's bankruptcy which would likely enable repayment of all or a portion of the debt due to the Company
- Since the date of the last report, two of Canada Co 's three principle remaining creditor disputes have been resolved via a settlement The remaining claim from the Canadian Investor Protection Fund is, we understand from the Canadian Trustee, due to be resolved to enable a distribution to creditors before the end of the year Following the settlements, it is likely that a surplus will become available for distribution to its parent company, Canada Ltd
- The Administrators are now discussing with KPMG Canada an appropriate and efficient process to wind up Canada Ltd and distribute any funds received

Shareholding in MFGHOL

- The Company is a 37% shareholder of MFGHOL, an affiliate of the Group that is not in an insolvency process
- As previously advised, the prospect of realisations relating to this shareholding continue to be unclear The Administrators' view remains that there will be no equity value in that business This is because MFGHOL's latest balance indicates that it has negative net assets of $26m, as such the only value it is likely to recovery is through its subsidiary MFGOL, which is in administration, and only likely to realise a surplus of between £3-6m

Progress of the administration (cont.)

Claims against MF Global Finance USA Inc & MF Global Holdings USA Inc.

- The Company received USD 85,815 72 (approx £65,628) as a distribution from MF Global Finance USA Inc in the period

MFGUK

- As previously reported, an unsecured claim (for £3,258,322) was lodged in MFGUK's special administration in respect of the pre-appointment outstanding lease payments due under the sale and leaseback agreement entered into between MFGUK and the Company The total dividend recovery to date stands at 90p in the £
- A further dividend of 2 2p in the £, was declared by MFGUK on 24 August 2016 This dividend totalled £71,683 09

Subordinated loan to MFGUK

- There has been no change in the position in relation to the subordinated loan since our last report For ease of reference I repeat the position below
- The Company has lodged a formal claim in MFGUK's special administration in relation to a subordinated term loan made to MFGUK of which USD 250 million of principal and one month's interest representing approximately USD 700,000 remained outstanding as at the date MFGUK went into special administration
- In July 2015, the administrators of MFGUK published an updated illustrative financial outcome which estimated a possible surplus in the estate of approximately £45 million at the high end of the estimated range of outcomes If this is the ultimate outcome and the subordinated loan ranks ahead of statutory interest payable to unsecured creditors pursuant to Rule 2 88 of the Insolvency Rules, the Company could make a recovery of at least part of the outstanding liability owed by MFGUK with respect to the subordinated loan
- However, the Court of Appeal upheld one decision of the High Court in the Lehman "Waterfall Application", by reference to the terms of the relevant subordination agreements, that the subordinated debt is a contingent debt payable only after statutory interest and any non-provable liabilities have been paid in full This issue is to be heard by the Supreme Court (as "Waterfall I") in October 2017 If the Court of Appeal's decision on this point is upheld, the Company would not make any recovery in relation to the subordinated loan The lower estimated outcome is for a shortfall in MFGUK's unsecured estate, in which case there would in any event be no funds available to repay the subordinated loan

See notice About this Report All rights reserved

Progress of the administration (cont.)

Expenses for the period

- Payments made in this period are set out in the attached receipts and payments account (see Appendix 3) The figures in this account are shown net of VAT
- The schedule of expenses attached as Appendix 4 sets out the costs incurred, whether paid or unpaid, relating specifically to this reporting period The figures in this statement are also shown net of VAT
- Any additional information regarding the Administrators' remuneration and/or other expenses charged for the period is available from the Administrators upon request by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 2 48A This request must be made within 21 days of receipt of the Report
- In addition, creditors are reminded that the quantum of the Administrators' remuneration can be challenged by any secured creditor (although we are not aware of any secured creditor in this matter) or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt by making an application to Court in accordance with Rule 2 109 within eight weeks of receipt of this Report The full text of these rules can be provided upon request

See notice About this Report All rights reserved

Progress of the administration (cont.)

Administrators' remuneration

- The statutory provisions relating to remuneration are set out in Rule 2 106 Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which can be obtained at http //www r3 org uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011 pdf However, if you are unable to access this guide and would like a copy please contact Dipa Nambiar on 0207 694 6452
- Attached as Appendix 2 is a detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out from 1 March 2016 to 31 August 2016, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No 9
- In the period from 1 October 2015 to 31 August 2016, the Administrators and their staff have incurred total time costs of £63,588 representing 143 hours at an average hourly rate of £444, the fees for which remains outstanding This includes the time cost incurred during the reporting period from 1 March 2016 to 31 August 2016 of £39,708 representing 90 hours at an average hourly rate of £441 This includes work undertaken in respect to tax and VAT by KPMG LLP in-house specialists
- In accordance with Rule 2 106, it is for the creditors' committee to determine the basis on which the Administrators' remuneration is to be fixed The approved modified Proposals confirmed that the Administrators would (i) charge fees based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment, (ii) draw fees on account from the assets of the Company from time to time during the period of the administration, and (iii) draw disbursements properly incurred from time to time to include category two disbursements as defined in Statement of Insolvency Practice 9, provided always that the creditors' committee has consented to the quantum of the Administrators' fees and costs being drawn on each relevant occasion
- The Administrators have not drawn any fees during the reporting period
- The Administrators' total time costs for the 58 months to 31 August 2016 equates to £785,438 (which averages £13,542 a month, but fluctuates significantly between months depending on activity levels) and a total of £704,783 has been paid to 31 August 2016

Other costs

We'll have incurred £11,523 of legal costs in this period which are yet to be paid Appendix 4 sets out details of legal and other costs incurred in the period covered by this report but not yet paid

KPMG

Estimated outcome for creditors

Estimated outcome for creditors

- As described previously
  - The Company has not granted any security over its assets to third parties, nor does the Company have any preferential creditors Therefore, any net realisations, following deduction of the Administrators' expenses, will be available for unsecured creditors
  - Further, the Administrators estimate that approximately 98% of the Company's unsecured liabilities are owed to other Group companies
- Dividends
  - On 5 June 2013, the Administrators obtained the permission of the Court to make dividends to its unsecured creditors with agreed claims
  - To date, the Administrators have declared dividends to all unsecured creditors whose claims had been admitted for distribution purposes totalling 12p in the £ A total amount of approximately £27 million has been distributed to creditors in this regard
  - The Administrators continue to reserve approximately £1 6 million for future costs and contingent liabilities
- As described on pages 9 and 10, there are significant uncertainties surrounding the timing and the ultimate realisable value of the Company's remaining assets Accordingly, the timing of future distributions are uncertain

See notice About this Report All rights reserved

KPMG

Other matters

Other matters

Future strategy

It is proposed that the Administrators will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the administration This will include

- Continuing to realise the assets of the Company as detailed on page 9 and 10,
- Holding regular meetings with the creditors' committee to update it on the progress of the administration,
- Paying a further dividend to unsecured creditors when there are sufficient funds, exceeding necessary reserves,
- Complying with the ongoing obligations in respect of VAT and corporation tax,
- Dealing with statutory reporting and compliance obligations, and
- Ensuring administration costs are kept to a minimum until such time as future realisations are received or the issue of the subordinated debt ranking becomes material

Extension of the administration and exit from administration

- The Company's administration was due to end on 2 May 2016 In March 2016, an extension was granted to 2 May 2019
- The Administrators continue to liaise with the creditors' committee to agree the most appropriate strategy to exit from the administration

MF Global group pension issue

- As previously reported, the Pensions Regulator is no longer proceeding with any regulatory action against the MF Global Group The special administrators of MFGUK reached an agreement with the Pension Fund trustees and MFG Services which enabled the Pension Fund trustees to purchase an insurance policy in the market sufficient to cover all future pension liabilities
- Pursuant to the terms of a separate allocation agreement entered into between the Company, MFGUK and MFGOL, the Company is liable to contribute to MFGUK 1 25% of the net cost to MFGUK of this settlement, subject to a cap on the maximum liability of the Company
- Whilst MFGUK and MFG Services have reached an agreement with the Pension Regulator, certain issues between MFGUK and MFG Services need to be resolved before MFGUK is able to determine the net cost of the settlement, and consequently, the Company's final liability in this regard Following an appeal hearing in May 2016, the UK Court of Appeal found in favour of MFG Services, however MFGUK are seeking permission to appeal the decision The Administrators continue to maintain sufficient reserves in the interim

See notice About this Report All rights reserved

KPMG

Appendix 1

Statutory information

Appendix 1

Statutory information

Company name	■ MF Global Finance Europe Limited
Company number	■ 06300839
Date of incorporation	■ 3 July 2007
Registered office	■ 15 Canada Square, Canary Wharf, London, E14 5GL
Previous address	■ 8 Salisbury Square, London, EC4Y 8BB (9 November 2011 to 7 April 2015)
Previous address	■ 5 Churchill Place, Canary Wharf, E14 5HU (10 May 2011 to 8 November 2011)
Court	■ High Court of Justice, Chancery Division, Companies Court
Court reference	■ 9585 of 2011
EC Regulation on insolvency proceedings (1346/2000)	■ The EC regulation applies and these proceedings are main proceedings as defined therein
Administrators	■ Richard Heis and Michael Pink
Former Administrator	■ Richard Fleming (released from office 22 July 2016)
Date of appointment	■ 2 November 2011
Appointer	■ Directors
Para 100(2) statement	■ In accordance with paragraph 100 (2) all functions or acts to be carried out by the Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors	■ Stephen John Craig (resigned 5 March 2012), Jon Ferber (resigned 20 March 2012), Russell Haley (resigned 30 March 2012)
Secretary	■ Vicki Kong (resigned 31 January 2012)
Details of share holdings	■ The Company is wholly owned by MF Global Holdings Limited

KPMG

Appendix 2

Administrators' time and cost analysis, including schedule of charge out rates

Appendix 2
Administrators' time and cost analysis (1 March 2016 to 31 August 2016)

Administrators' time costs from 1 March 2016 to 31 August 2016

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)		4 50	2 80		**7 30**	3,020 50	413 77
Reconciliations (& IPS accounting reviews)			4 50		**4 50**	1,555 00	345 56
General							
Books and records			2 20		**2 20**	594 00	270 00
Fees and WIP	0 10	0 20	1 80		**2 10**	654 50	311 67
Other office holders	1 00				**1 00**	705 00	705 00
Statutory and compliance							
Appointment and related formalities	1 10	0 10	0 10		**1 30**	864 00	664 62
Bonding and bordereau			0 30		**0 30**	81 00	270 00
Checklist & reviews	2 10	0 50	9 90		**12 50**	4,441 00	355 28
Statutory receipts and payments accounts		5 00			**5 00**	2,450 00	490 00
Strategy/Exit planning	7 80				**7 80**	5,499 00	705 00
Tax							
Post appointment corporation tax		4 00			**4 00**	2,085 00	521 25
Post appointment VAT		0 20	1 90		**2 10**	772 50	367 86
Creditors							
Committees							
Meetings	2 00				**2 00**	1,410 00	705 00
Creditors and claims							
Agreement of unsecured claims			1 60		**1 60**	432 00	270 00
General correspondence	2 50		1 00		**3 50**	2,032 50	580 71
Payment of dividends			2 70		**2 70**	729 00	270 00
Statutory reports	6 60	3 40	18 90		**28 90**	11,597 00	401 28

Note (a) All staff who have worked on this assignment including cashiers and secretarial staff have charged time directly to the assignment and are included in the analysis of time spent The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates

Source Administrators records

(continued overleaf)

 All rights reserved

Appendix 2

Administrators' time and cost analysis (1 March 2016 to 31 August 2016) (cont.)

Administrators' time costs from 1 March 2016 to 31 August 2016

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Asset Realisation							
Debtors			0 30		**0 30**	81 00	270 00
Cash & profit projections & strategy	1 00				**1 00**	705 00	705 00
Sub-total in period	24 20	17 90	48 00	0 00	90 10	39,708 00	440 71
Brought forward from previous reports						745,730 05	
Total since appointment						**785,438 05**	

Note (a) All staff who have worked on this assignment including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates

Source Administrators records

Summary of disbursements paid from 1 March 2016 to 31 August 2016

	£
Sundry	NIL
Total disbursements	**NIL**

Source Administrators records

 All rights reserved

Appendix 2
Summary of charge out rates in operation during the course of the administration

Summary of charge out rates in operation during the course of the administration

£/hour	2 November 2011 to 30 September 2012	1 October 2012 to 30 September 2013	1 October 2013 to 30 September 2014	1 October 2014 to 31 August 2016
Restructuring, tax and VAT				
Partner	653 – 725	765	765	795
Associate Partner/Director	572 – 635	670	670	705
Senior Manager	473 – 525	550	585	615
Manager	378 – 420	440	465	490
Senior Administrator/Assistant Manager/Consultant	275 – 305	320	340	355
Administrator	207 – 230	240	265	270
Support staff	108 – 120	125	130	135

Source KPMG LLP records

KPMG Restructuring policy for the recovery of disbursements

Where funds permit the officeholder will look to recover both Category 1 and Category 2 disbursements from the estate For the avoidance of doubt, such expenses are defined within SIP 9 as follows

- These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff
- These are costs that are directly referable to the appointment in question but not to a payment to an independent third party They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage

Any disbursements paid from the estate are disclosed within the attached summary of disbursements

Category 2 disbursements charged by KPMG Restructuring include mileage This is calculated as follows

- Mileage claims fall into three categories
  - Use of privately-owned vehicle or car cash alternative – 45p per mile
  - Use of company car – 60p per mile
  - Use of partner's car – 60p per mile

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate

See notice About this Report All rights reserved

KPMG

Appendix 3

Receipts and payments account

Appendix 3
Receipts and payments account

Administrators' abstract of receipt and payments				
1 March 2016 to 31 August 2016	$	£	Total (£)	2 November 2011 to 31 August 2016 (£) (a)
Asset realisations				
HP/Leasing	-	-	-	420,000 00
Other realisations				
Cash at bank	-	-	-	813,100 68
Gross interest	142 15	2,792 66	2,901 37	24,840 55
Dividend income (b)	85,815 72	71,683 09	137,311 51	24,436,050 79
Debtor Receipt	-		-	175,175 42
Statutory interest income	-	-	-	2,853,139 96
Sale of debt (c)	-	-	-	1,397,002 00
Cost of realisations				
Administrators' fees	-	-	-	(704,782 75)
Administrators' expenses	-	-	-	(2,523 40)
Legal fees	-	-	-	(566,175 95)
Legal disbursements	-	-	-	(22,965 04)
Irrecoverable VAT	-	-	-	(64,472 29)
Statutory advertising	-	-	-	(4,817 70)
Bank charges	-	(6 00)	(6 00)	(1,317 91)
Unsecured creditors				
Dividends paid	-	(31,334 13)	(31,334 13)	(27,023,941 33)
Sub-total movement in the period	**85,957 87**	**43,135 62**	**108,872 75**	**1,728,313 02**
Current account movements/transfers			-	(20,583)
Total	**85,957 87**	**43,135 62**	**108,872 75**	**1,707,730 08**
Represented by				
Movement in period				108,872 75
Balance brought forward as 29 February 2016 (d)				1,598,857 34
Total				**1,707,730 09**

Note (a) All transactions have been translated at the period end rate of 31 August 2016 Euro 1 1741 – USD 1 3076 unless there was a transfer into the sterling account where any gains/losses were crystallised Transfers 23 February 2012 Euro 1 1805 – USD 1 507, 26 November 2012 USD 1 6038 2 December 2014 USD – 1 5739 and 31 July 2015, USD - 1 5628

(b) Dividends declared – 2 5p in £ on 10 September 2013 2p in £ on 29 January 2014, 5 5p in £ on 27 November 2014 and 2p in £ on 4 August 2015

(c) MF Global Holdings Overseas Limited (MFGHOL) bought 32 3% of MF Global Finance Europe Limited s (MFGFEL) claim into MF Global Overseas Limited (MFGOL) The consideration paid by MFGHOL to MFGFEL in respect of the proportion of MFGFEL's claim purchased reflects the total of the final distribution and associated statutory interest to 30 July 2015 being the date creditors of MFGOL were paid in full

(d) The balance brought forward as at 29 February 2016 was stated incorrectly in prior report as the $ account was overvalued when converted into £ The closing balance on the prior report was therefore overstated by approximately £8 000 The balance brought forward figure has therefore been restated in this report as £1 598 857 34

Source Administrators records

KPMG

Appendix 4

Schedule of expenses

Schedule of expenses

Schedule of expenses – 1 March 2016 to 31 August 2016

£	Paid	Accrued	Total for period
Cost of realisations			
Administrators' fees	0 00	39,708 00	39,708 00
Administrators' expenses	0 00	0 00	**0 00**
Irrecoverable VAT	0 00	0 00	**0 00**
Legal fees and disbursements	0 00	11,755 83	11,755 83
Bank charges	6 00	0 00	6 00
Total	**6 00**	**51,463 83**	**51,469 83**

Source Administrators' records

Notes

The figures included in the "paid" column above relate to costs incurred and paid in this period Accordingly these figures do not include payments made in the period that relate to accruals notified in our previous reports

Administrators' remuneration

Creditors are reminded that the basis of the Administrators' remuneration has been agreed with the creditors' committee in accordance with Rule 2 106 However, to determine if the quantum is reasonable an analysis is included in Appendix 2

Creditors are advised that any additional information regarding other expenses charged for the period is available from the Administrators upon request by any Secured Creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 2 48A This request must be made within 21 days of receipt of the attached Report In addition creditors are reminded that the quantum can be challenged by any Secured Creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt by making an application to Court in accordance with Rule 2 109 within eight weeks of receipt of the attached Report The full text of these rules can be provided upon request

KPMG

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future No one should act on such information without appropriate professional advice after a thorough examination of the particular situation

© 2016 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity All rights reserved

KPMG LLP is multi-disciplinary practice authorised and regulated by the Solicitors Regulation Authority For full details of our professional regulation please refer to 'Regulatory Information' at www kpmg com/uk

The KPMG name and logo are registered trademarks or trademarks of KPMG International