



**KPMG LLP**  
**Restructuring**  
15 Canada Square  
London E14 5GL  
United Kingdom

Tel +44 (0) 20 7311 1000  
Fax +44 (0) 207 694 3011

## To All Creditors

Our ref 6.1A.1

Contact Tom Chuter  
020 73118667

21 December 2017

Dear Sir/Madam

### **MF Global UK Limited (in special administration) – under a company voluntary Arrangement (the ‘Company’)**

**No. 013738 of 2011**

**Registered Number – 01600658**

**Joint Supervisors – Richard Heis, Michael Robert Pink and Edward George Boyle**

### **Notice of company voluntary arrangement taking effect**

Pursuant to Rule 2.38 of the Insolvency (England and Wales) Rules 2016 (the ‘Rules’), I am writing to advise that Richard Heis, Edward George Boyle and I were appointed Joint Supervisors of the Company on 12 December 2017 and the proposal dated 23 November 2017 (the ‘Proposal’) for a company voluntary arrangement (‘CVA’) pursuant to Part 1 of the Insolvency Act 1986 (the ‘Act’) was approved by the Company’s creditors and sole member without modification.

A court sealed copy of the Chair’s/Conveners report of the creditors’ and member’s meetings as filed at court on 18 December 2017 (the ‘Chair’s Report’) is available to be viewed and downloaded from [www.kpmg.co.uk/mfglobaluk](http://www.kpmg.co.uk/mfglobaluk) (the “**Administrators’ Website**”).

The Company continues to remain in special administration. Please send any correspondence to the joint special administrators of the Company as normal.

If you have a claim which is compromised by the CVA but have not submitted a claim as part of the creditors’ decision procedure, or if you wish to amend your claim, please provide us with full details prior to the Final Claims Date (as defined and set out in the CVA) of Monday, 15 January 2018.

A creditor may, at any time, elect to opt out of receiving further documents relating to the CVA proceedings. Please note that opting-out will not affect your entitlement to receive dividends should any be paid to creditors. There are also certain other

documents that opted-out creditors will continue to receive, as detailed in the appendix to this letter.

If you wish to become an opted-out creditor, please sign and date the attached notice and return it to the Joint Supervisors as soon as possible.

### **Report of and Notice by the Joint Special Administrators of Approval of Revised Statement of Proposals**

This report is made by Michael Robert Pink, one of the joint special administrators of the Company, pursuant to Regulation 15 of the Investment Bank Special Administration Regulations 2011 ('SAR Regulations'), Paragraph 54 of Schedule B1 the Act, Rule 67 of the Investment Bank Special Administration (England and Wales) Rules 2011 ('SAR Rules') and Rule 3.43 of the Rules and is the joint special administrators' report and notice of the result of the creditors' decision procedure contemplated by such regulations, sections and rules.

I refer to the original statement of proposals of the joint special administrators dated 16 December 2011 ('Original Statement of Proposals'), which is available to be viewed and downloaded from the Administrators' Website.

The CVA Proposal contained, on page 4, certain revisions to the joint special administrators' original statement of proposals ('Statement of Proposals Amendments'). The relevant extract of the CVA containing the Statement of Proposals Amendments is attached hereto.

Pursuant to Section 3 of the Act and Rule 66 of the SAR Rules, a decision of creditors was taken at a physical meeting of creditors at 12.00 on Tuesday, 12 December 2017 at The Connaught Rooms, 61-65 Great Queen Street, London WC2B 5DA (the 'Creditors' Meeting').

The following resolution ('Decision 1') was proposed in relation to the Statement of Proposals Amendments: To approve the Statement of Proposals Amendments.

The requisite majority to approve a decision is a majority in excess of 50 percent in value of creditors voting on Decision 1. Having regard (inter alia) to the provisions of Rule 15.34 of the Rules and Rule 94 of the SAR Rules, the joint special administrators confirm that Decision 1 was passed at the Creditors' Meeting and accordingly, the Statement of Proposals Amendments were approved without modification by the creditors of the Company.

The Chair's Report (which is available to be viewed and downloaded from the Administrators' Website) sets out, summarises and lists the creditors (with their respective values) and shows how they voted on Decision 1.

## Right to request hard copies

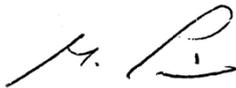
If you are unable to download any of the documents uploaded to the Administrators' Website or would like to request a hard copy of any of these documents (free of charge), please contact the joint special administrators' staff using the details set out below:

**Email:** [mfglobalclaims@kpmg.co.uk](mailto:mfglobalclaims@kpmg.co.uk)

**Telephone Number:** +44 207 785 0308

**Address:** MF Global UK Limited (in special administration)  
c/o KPMG LLP 15 Canada Square London, E14 5GL

Yours faithfully  
For MF Global UK Limited (in special administration) – under a Voluntary Arrangement



**Mike Pink**  
Joint Supervisor and Joint Special Administrator

Joint Supervisors - Richard Heis, Michael Robert Pink and Edward George Boyle. The Joint Supervisors contract without personal liability.

The affairs, business and property of MF Global UK Limited (in special administration) are being managed by the joint special administrators, including in their capacity as Supervisors pursuant to the company voluntary arrangement, who contract as agents of MF Global UK Limited (in special administration) without personal liability.

Richard Heis, Michael Robert Pink and Edward George Boyle are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

MF Global UK Limited is authorised and regulated by the Financial Conduct Authority. FCA reference number 106052. Registered in England No. 01600658. Registered Office: c/o KPMG LLP, 15 Canada Square, London, E14 5GL. VAT No. 911 4146 61.

We are bound by the Insolvency Code of Ethics.

The Insolvency Act 1986

## Notice to creditors of right to elect to become an opted-out creditor

Name of Company MF Global UK Limited (in Special Administration) – under a CVA	Company number 01600658
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We

Michael Robert Pink

Richard Heis

Edward George Boyle

KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

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London  
E14 5GL

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London  
E14 5GL

give notice that as a creditor you have the right to elect to opt out of receiving further documents relating to the CVA proceedings.

However, we have detailed below the documents we will still be required to send to opted-out creditors:

- documents which the Insolvency Act 1986 requires to be delivered to all creditors without expressly excluding opted-out creditors;
- a notice relating to a change in the office-holder or the office-holder's contact details; or
- a notice of a dividend or proposed dividend or a notice which the Court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Opting-out will not affect your entitlement to receive dividends should any be paid to creditors.

Opting-out will not (unless The Insolvency (England and Wales) Rules 2016 provide to the contrary) affect any right you may have to vote in a decision procedure or participate in a deemed consent procedure (although an opted-out creditor will not receive notice of it).

By opting-out, you will be treated as having opted out in respect of any consecutive insolvency proceedings in respect of the Company.

You may, at any time, revoke your election to opt-out by providing notice, in writing, signed and dated to the Joint Supervisors. You will cease to be opted-out from the date this notice is received by the Joint Supervisors.

I confirm that the following creditor wishes to opt-out of receiving further documents relating to the CVA proceedings.

Name of creditor

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Address of creditor

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Signature of creditor or person authorised to act on his behalf

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Name in BLOCK LETTERS

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Dated

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Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signing

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Contact details for the office holder

Tom Chuter  
020 73118667

**\*\*\* EXTRACT RELATING TO STATEMENT OF PROPOSALS AMENDMENTS \*\*\***

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**THIS DOCUMENT (THE “PROPOSAL”) IS IMPORTANT  
AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**MF GLOBAL UK LIMITED (IN SPECIAL ADMINISTRATION)**

**AND EACH OF ITS CVA CREDITORS** *(as defined herein)*

**IN CONNECTION WITH THE ADMINISTRATORS’ PROPOSAL FOR**

**A COMPANY VOLUNTARY ARRANGEMENT**

*Under Part I of the Insolvency Act 1986*

opportunity to participate in the funding of these Exit Payments, subject to certain eligibility criteria relating to quantum and proof of funds.

- 1.25 Following receipt of their Exit Payment, the Exiting Creditors will receive no further monies from the Estate. Their claims will be transferred to a bare trust (referred to as the CVA Trust in this Proposal) which will hold the claims for the benefit of the Underwriting Creditor and any other creditors who choose to participate under this CVA as Participating Creditors.

#### **Amending the Administrators' Statement of Proposals**

- 1.26 In connection with this Proposal, the Administrators propose to amend the Administrators' Statement of Proposals to clarify that, in accordance with regulation 21 of the Regulations, the Administrators may propose a company voluntary arrangement as part of their pursuit of the second limb of the third objective of the special administration objectives, to wind up the Company in the best interest of the creditors (the "**Statement of Proposals Amendments**").
- 1.27 All CVA Creditors may vote in relation to the Statement of Proposals Amendments at the Creditors' Meeting.

## **2 SUMMARY OF THE PROPOSAL**

### **Compromise**

- 2.1 The Administrators propose that, provided the CVA is approved by the requisite majority of CVA Creditors and subject to the further conditions set out in this Proposal, the rights of the CVA Creditors are compromised as follows:
- (a) all Allowed Creditors shall, to the extent they have not already received this, receive a catch-up distribution up to 90 pence in the pound on their Allowed Claims, on the terms set out in paragraph 4 (*Catch-up Distribution*) of Section 2;
  - (b) all Exiting Creditors will receive (in addition to any catch-up distribution entitlement) a final cash payment (referred to as an Exit Payment) that brings their aggregate payments in respect of their Allowed Claims to 99.75 pence in the pound, upon receipt of which their Allowed Claims will be assigned to the CVA Trust, on the terms set out in paragraph 8 (*Exiting Creditors*) of Section 2;
  - (c) all Stay-in Creditors will retain their Allowed Claims until such time that the Administrators, acting in good faith, determine that all Provable Claims against the Company that would materially affect the value of the proposed payments to Stay-in Creditors described in this paragraph have been finally determined to the satisfaction of the Administrators, at which point (estimated to be after circa 2 years and after provision for certain estimated future liabilities) they will receive a final payment in respect of their Allowed Claims (referred to as a Final Stay In Creditors Distribution and which shall not include the benefit of any payment or settlement in respect of the Pending DTT Reclaims or EU Reclaims), upon which their Allowed Claims will be assigned to the CVA Trust, on the terms set out in paragraph 9 (*Stay-in Creditors*) of Section 2;
  - (d) all Participating Creditors will participate pro rata in the funding of the Exit Payments to be made to the Exiting Creditors under paragraph (b) above and will receive a pro rata beneficial interest in the CVA Trust, on the terms set out in paragraph 7 (*Participating Creditors*) of Section 2;
  - (e) the Subordinated Debt of Finance Europe will be subject to the arrangements set out in paragraph 12 (*Subordinated Debt*) of Section 2; and