

**MF GLOBAL HOLDINGS LTD., ET AL.**  
**Post-Effective Date Quarterly Operating Report**  
**For the period ending September 30, 2017**

**MF GLOBAL HOLDINGS LTD., ET AL.**  
**Post-Effective Date Quarterly Operating Report**  
**For the period ending September 30, 2017**

**BACKGROUND**

This post-Effective Date quarterly operating report (“QOR”) of MF Global Holdings Ltd. (“Holdings Ltd.”) and its affiliated debtors, MF Global Finance USA Inc. (“Finance USA”), MF Global Capital LLC (“Capital”), MF Global FX Clear LLC (“FX Clear”), MF Global Market Services LLC (“Market Services”), and MF Global Holdings USA Inc. (“Holdings USA”) (collectively, the “Debtors”<sup>1</sup>) covers a specific time period and has been prepared solely for the purpose of complying with the reporting requirements of the *Second Amended and Restated Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code for MF Global Holdings Ltd., MF Global Finance USA Inc., MF Global Capital LLC, MF Global FX Clear LLC, MF Global Market Services LLC, and MF Global Holdings USA Inc.* (Docket No. 1382) (the “Second Amended Plan”). The financial information contained in this QOR is preliminary and unaudited, and as such may be subject to revision. The information in this QOR should not be viewed as indicative of future results. The Second Amended Plan is a joint plan for six separate Debtors. The Debtors are not consolidated for financial reporting and should be viewed as standalone entities. The total columns in each of the tables of the QOR are for illustrative purposes only.

The Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) as follows: (i) Holdings Ltd. and Finance USA filed on October 31, 2011; (ii) Capital, FX Clear, and Market Services filed on December 19, 2011; and (iii) Holdings USA filed on March 2, 2012. Each respective Debtor’s bankruptcy filing dates are referred to in this QOR as the “Petition Date” and any period prior to such Debtor’s bankruptcy filing date is referred to as “pre-petition” for the respective Debtor. The Debtors’ chapter 11 cases are assigned to the Honorable Judge Martin Glenn and are being jointly administered under the caption “In re MF Global Holdings Ltd., et al.” Case No. 11-15059 (MG). Shortly after each respective Petition Date, Louis J. Freeh, Esq. (the “Chapter 11 Trustee”) was appointed as chapter 11 trustee of the Debtors. On the Effective Date, the Chapter 11 Trustee ceased his stewardship of the Debtors and Holdings Ltd. became the Plan Administrator under the Second Amended Plan, with a newly appointed board of directors.

The last date and time for any person or entity, including MF Global affiliates, to file a proof of claim against the Debtors (the “Bar Date”) has passed as of the issuance of this QOR. The Plan Administrator has objected to such claims as appropriate. Accordingly, some additional adjustments to the financial information provided herein may be reflected in future QORs as a result of the claims reconciliation process.

On July 24, 2015, the Plan Administrator and James W. Giddens (the “SIPA Trustee”), as Trustee for the liquidation of MF Global Inc. (“MFGI”), entered into a Sale and Assumption Agreement pursuant to which the SIPA Trustee assigned to the Plan Administrator (or its designee), among other things, all of the SIPA Trustee’s rights and interest in (a) the claims asserted in the case captioned “In re MF Global Holdings Ltd. Investment Litigation,” 11 Civ. 7866 (the “MDL”), (b) MFGI’s E&O Policies, D&O Policies, and other insurance policy proceeds, (c) recoveries in the MF Global UK Limited (“MFGUK”) insolvency proceeding, (d) certain contracts, and (e) cash and miscellaneous accounts receivables (the “Sale and Assumption Agreement”). In exchange, the Plan Administrator agreed that (a) the Debtors and certain of their non-Debtor affiliates waived their right to further distributions from the MFGI estate, which allowed the SIPA Trustee to make final distributions to all other unsecured creditors in an amount that satisfied such claims at 95%, and (b) the Plan Administrator’s designee assumed, among other things, certain of the SIPA Trustee’s discovery obligations, the SIPA Trustee’s obligations under the assigned contracts, and certain tax obligations. Pursuant to the agreement, the Plan Administrator’s designee is entitled to receive amounts in the future pending the outcome of certain events relating to disputed claims and expense reserves.

On September 8, 2015, pursuant to the Sale and Assumption Agreement, the Plan Administrator designated MF Global Assigned Assets LLC (“MFGAA” or “Assigned Assets”) its assignee and Holdings Ltd., Finance USA, Holdings USA, Capital, FX Clear, MF Global FX LLC (“FX LLC”), and MF Global Special Investor LLC (“Special Investor”) (collectively the “Members”) made an initial capital contribution to Assigned Assets in the form of an assignment of all of that Member’s rights and interests in its allowed MFGI claims in exchange for a ratable membership interest in Assigned Assets. Future proceeds will be distributed to the Members in proportion to their respective membership interests in Assigned Assets.

On February 11, 2016, the Bankruptcy Court entered a final decree for the closing of the Chapter 11 Cases of Capital, FX Clear and Market Services (the “Closing Debtors”) (Docket No. 2201). As a result, the Closing Debtors no longer have any reporting or administrative obligations under the Second Amended Plan including, without limitation, the obligation to file post-Effective Date quarterly reports. The Chapter 11 Cases of Holdings Ltd., Finance USA, and Holdings USA remain open.

---

<sup>1</sup> Throughout this QOR, the term “Debtors” refers collectively to MF Global Holdings Ltd., MF Global Finance USA Inc., MF Global Capital LLC, MF Global FX Clear LLC, MF Global Market Services LLC, and MF Global Holdings USA Inc.

## CURRENT QUARTER ACTIVITY SUMMARY

On October 27, 2016, Holdings Ltd. and MFGAA (the “MFG Plaintiffs”) commenced an Adversary Proceeding related to the Stipulation and Settlement Agreement approved on August 10, 2016 (D.I. 2282) (the “MDL Settlement”) against Allied World Assurance Company, Ltd. (“AWAC”), Iron-Starr Excess Agency Ltd. and certain affiliates (collectively, “Iron-Starr”), and Federal Insurance Company (“Federal,” collectively with AWAC and Iron-Starr, the “Dissenting Insurers”) to, among other things, recover (i) \$25 million in aggregate policy limits not contributed to the MDL Settlement by the Dissenting Insurers, and (ii) damages for the Dissenting Insurers’ “bad faith” refusal to fund the settlement (D.I. 2304; Adv. Proceeding 16- 01251)<sup>2</sup>. All defendants except Federal are Bermuda-domiciled insurers (the “Bermuda Insurers”), who obtained *ex parte* anti-suit injunctions from the Supreme Court of Bermuda to enjoin the Adversary Proceeding, claiming that the disputes raised in the Adversary Proceeding are required to be arbitrated, and also filed motions to dismiss or to compel arbitration in the Bankruptcy Court. After various proceedings in New York and Bermuda, the Bankruptcy Court held the Bermuda Insurers in contempt and ordered them to vacate the anti-suit injunctions (Adv. D.I. 66, 67); ordered the Bermuda Insurers to discontinue the Bermuda proceedings pursuant to an order applying the *Barton* doctrine entered on January 23, 2017 (Adv. D.I. 78); and awarded the MFG Plaintiffs costs incurred as a result of the *Barton* violation. In June 2017, Holdings Ltd. entered into confidential settlements with Federal and Iron-Starr, the proceeds of which were paid in full last quarter. In June 2017, the Bankruptcy Court entered orders requiring AWAC to pay \$0.9 million as its share of the MFG Plaintiffs’ legal fees and costs incurred as a result of the *Barton* violation through February 2017 (Adv. D.I. 168), which was paid in July 2017. AWAC was also required to post a bond in the face amount of AWAC’s full policy limits of \$15.0 million pursuant to N.Y. Insurance Law § 1213 (Adv. D.I. 159), which was filed on July 21, 2017 (Adv. D.I. 183). At the end of June, the MFG Plaintiffs submitted an application for \$0.2 million in fees incurred from March through May, 2017 (Adv. D.I. 169), and on August 18, 2017 sought a further \$0.07 million for fees incurred in June, bringing the outstanding additional fees requested as a result of AWAC’s *Barton* violation to \$0.3 million (Adv. D.I. 198). On August 24, 2017, Judge Glenn entered a Memorandum Opinion and Order (the “August 24 Order”) (Adv. D.I. 200) which granted AWAC’s pending motion to compel arbitration of the insurance coverage dispute, while retaining jurisdiction. The MFG Plaintiffs’ limited request for reconsideration of the August 24 Order (Adv. D.I. 201) was granted but the request to modify the August 24 Order was denied by an Order entered on September 6, 2017 (Adv. D.I. 202). The MFG Plaintiffs filed for leave to appeal in the District Court, and have sought a stay of the arbitration (Adv. D.I. 204). The proceedings in the District Court are pending before Judge Rakoff. On a parallel track, the MFG Plaintiffs and AWAC are coordinating to empanel the three-member arbitral panel to proceed in the event no stay is obtained.

In February 2008, Evan Dooley, a MFGI registered broker, trading for his own account out of a MFGI branch office in Memphis, Tennessee, put on a significant wheat futures position that was beyond his trading authority and was liquidated at a loss of \$141 million. MFGI suffered the loss because, as a clearing member of the exchange, it was required to pay the \$141 million shortfall and the broker had no means of paying MFGI for the losses (the “Dooley trading incident”). MFGI filed a claim for payment of its \$141 million loss from the Dooley trading incident plus statutory interest under its Fidelity Bond Insurance (the “Bond”), which provides coverage for wrongful or fraudulent acts of employees, seeking indemnification for the loss on the Dooley trading incident. After months of investigation, MFGI’s insurers denied payment of this claim based on certain definitions and exclusions to coverage in the Bond. They also initiated an action against MFGI in the Supreme Court of the State of New York, New York County, *New Hampshire Insurance Co. et al. v. MF Global Finance USA, Inc.*, No. 601621/09 (MF), seeking a declaration that there is no coverage for this loss under the Bond. MFGI filed a counterclaim to enforce its right to payment. Pursuant to an Assignment Agreement between the SIPA Trustee and Finance USA, in May 2014, the SIPA Trustee assigned his rights in this litigation to Finance USA. See Note 5 for further information. The parties completed discovery in April 2017, the insurers and Finance USA filed motions for summary judgment in June 2017, opposition papers were filed in July 2017 and reply papers were filed in August 2017.

During the period, Finance USA entered into confidential settlements with certain insurers representing \$30 million of the approximately \$141 million principal amount of Finance USA’s asserted claim as a result of the Dooley trading incident, resulting in payments from each settling insurer to Finance USA in excess of each such settling insurer’s principal obligations. The settlement proceeds from these partial settlements have been paid in full during the reporting period. As of September 30, 2017, Finance USA has entered into confidential settlements with insurers representing \$85 million of the approximately \$141 million principal amount of Finance USA’s asserted claim.

---

<sup>2</sup> Citations to “D.I.” refer to docket items in the main bankruptcy case of MFGH, Case No. 11-15059 (MG) (Jointly Administered). Citations to “MDL D.I.” refer to docket items in the consolidated MDL proceeding *Deangelis v. Corzine*, No. 11-cv-7866 (S.D.N.Y.) (VM) (the “MDL”). Citations to “Adv. D.I.” refer to docket items in Adversary Proceeding Number 16- 01251 (MG) (Bankr. S.D.N.Y.).

**MF Global Holdings Ltd., et al.**  
**Schedules of Cash Flows (Unaudited)**  
**For the Period July 1, 2017 through September 30, 2017**

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
<b>Cash balance at July 1, 2017</b>	<b>\$ 34,379,253</b>	<b>\$ 40,805,855</b>	<b>\$ 816,308</b>	<b>\$ 76,001,415</b>
<b>Cash Inflows:</b>				
Expense Reimbursement from Debtor Affiliates	-	3,554,363	716,174	4,270,537
Pre-petition Receivables from Debtor Affiliates	-	-	-	-
Pre-petition Receivables from Non-Debtor Affiliates	-	18,758	14,537	33,294
Other	39,059,145	986,277	23,808	40,069,230
<b>Total Inflows</b>	<b>39,059,145</b>	<b>4,559,397</b>	<b>754,519</b>	<b>44,373,061</b>
<b>Cash Outflows:</b>				
Payroll, Payroll Taxes and Employee Benefits	-	-	(519,062)	(519,062)
Operating Costs	(11,508)	(362,964)	(38,615)	(413,087)
Professional Fees	-	(2,380,986)	-	(2,380,986)
US Trustee Fees	-	(64,875)	-	(64,875)
Other	-	-	-	-
Total Operating Expenses	(11,508)	(2,808,826)	(557,678)	(3,378,011)
Expense Reimbursement to Debtor Affiliates	(3,809,987)	(1,441)	(459,109)	(4,270,537)
<b>Distributions:</b>				
Administrative Claims	-	-	-	-
Priority Tax Claims (includes Admin tax claims)	-	-	-	-
1 - Priority Non-Tax Claims	-	-	-	-
2 - Secured Claims	-	-	-	-
3 - JPMorgan Secured Setoff Claim	-	-	-	-
4 - Convenience Claims	-	-	-	-
5 - Liquidity Facility Unsecured Claims	-	-	-	-
6 - General Unsecured Claims	-	-	-	-
7 - Subordinated Claims	-	-	-	-
8 - Preferred Interests	-	-	-	-
9 - Common Interests	-	-	-	-
Total Distributions	-	-	-	-
<b>Total Cash Outflows</b>	<b>(3,821,495)</b>	<b>(2,810,267)</b>	<b>(1,016,786)</b>	<b>(7,648,548)</b>
<b>Net Cash Flows:</b>	<b>35,237,651</b>	<b>1,749,131</b>	<b>(262,268)</b>	<b>36,724,513</b>
<b>Cash balance at September 30, 2017</b>	<b>\$ 69,616,903</b>	<b>\$ 42,554,985</b>	<b>\$ 554,040</b>	<b>\$ 112,725,928</b>

The accompanying notes are an integral part of this report.

**MF Global Holdings Ltd., et al.**  
**Statements of Net Assets (Liquidation Basis)**  
**As of September 30, 2017**

	<u>Note</u>	<u>MF Global Finance USA Inc.</u>	<u>MF Global Holdings Ltd.</u>	<u>MF Global Holdings USA Inc.</u>	<u>Total</u>
Cash		\$ 69,616,903	\$ 42,554,985	\$ 554,040	\$ 112,725,928
Non-affiliate pre-petition receivables	4	-	-	410,272	410,272
Debtor affiliate pre-petition receivables	4	201,311,833	1,337,812,612	24,401,249	1,563,525,694
Other affiliate pre-petition receivables	4	-	52,242,735	2,007,238	54,249,972
Debtor affiliate post-petition receivables	4	-	515,412	157,848	673,260
Other affiliate post-petition receivables	4	-	1,870,827	-	1,870,827
Other assets	5	2,000,000	477,380	-	2,477,380
MFGAA membership interests	6	137,250,873	12,233,040	4,919,708	154,403,621
<b>Total assets</b>		<b>410,179,609</b>	<b>1,447,706,992</b>	<b>32,450,354</b>	<b>1,890,336,955</b>
Liabilities subject to compromise:	8				
Claims subject to reconciliation		(414,758)	(414,758)	-	(829,515)
Allowed claims:					
Debtor affiliate		(1,341,227,733)	(20,348,987)	(201,311,833)	(1,562,888,553)
Other affiliate		(3,074,946)	(685,111)	(77,229)	(3,837,287)
Liquidity Facility unsecured claim		(665,448,141)	(774,565,716)	-	(1,440,013,857)
Notes claim		-	(690,768,514)	-	(690,768,514)
Other unsecured		-	(25,367,323)	(18,144,424)	(43,511,747)
Subordinated		-	(106,232,679)	-	(106,232,679)
Subordinated claims not allowed		(1,085)	(16,685,153)	(1,986,436)	(18,672,673)
Liabilities to be settled in full:	9				
Administrative, secured and priority		-	-	-	-
Debtor and other affiliate charges		(569,491)	(44,578)	(59,192)	(673,260)
Professional fees - post-effective date	10	-	(8,916,823)	-	(8,916,823)
Estimated Plan Administration Expenses	11	(18,158,183)	(22,242,549)	(1,091,549)	(41,492,281)
<b>Total Liabilities</b>		<b>(2,028,894,336)</b>	<b>(1,666,272,192)</b>	<b>(222,670,662)</b>	<b>(3,917,837,191)</b>
<b>Net assets in liquidation</b>		<b>\$ (1,618,714,728)</b>	<b>\$ (218,565,200)</b>	<b>\$ (190,220,308)</b>	<b>\$ (2,027,500,235)</b>

The accompanying notes are an integral part of this report.

## NOTES AND DEFINITION OF TERMS

### ***Note 1: Basis of Presentation***

The Plan Administrator has prepared this QOR in accordance with the Second Amended Plan. While the Plan Administrator has exercised its best efforts to ensure that this QOR is accurate, based on information that was available at the time of preparation, inadvertent errors or omissions may exist. The Plan Administrator reserves the right to amend this QOR from time to time as may be necessary or appropriate. This QOR is not meant to be relied upon as a complete description of the Debtors, their businesses, condition (financial or otherwise), results of operations, prospects, assets or liabilities.

The unaudited balance sheets (“statements of net assets in liquidation”) and statements of cash flows (“schedules of cash flows”) in this QOR have been prepared in accordance with the requirements of the Second Amended Plan. The statements of net assets in liquidation and schedules of cash flows were not prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”) and neither purport to represent nor reconcile with financial statements prepared in accordance with US GAAP. This QOR does not include explanatory footnotes and other disclosures required under US GAAP, and is not presented in a US GAAP-based reporting format. Certain classifications utilized in this QOR may differ from prior report classifications and accordingly amounts may not be comparable. The statements of net assets in liquidation and the schedules of cash flows have been presented in at least the level of detail required by the Second Amended Plan.

Certain items presented in this QOR remain under review by the Plan Administrator and may be accounted for differently in future QORs. Accordingly, the financial information herein is subject to change and any such change could be material. The statements of net assets in liquidation do not reflect or provide for all the consequences of the Debtors’ chapter 11 cases including (i) as to assets, a wide range of legal claims that are being pursued or are under consideration to pursue, their realizable values on a liquidation basis or their availability to satisfy liabilities, and (ii) as to pre-petition liabilities, the amounts that may ultimately be allowed for claims or contingencies, or the ultimate status or priority of claims filed. Accordingly, future QORs may reflect adjustments (including write-downs and write-offs) to the assets and adjustments to the liabilities, which may be material.

Prior to October 31, 2011, the majority of the Debtors’ operational accounting functions, including day-to-day maintenance of the Debtors’ books and records, were fulfilled by an accounting group located in Chicago, Illinois and employed by MFGI which commenced its separate liquidation proceeding under the Securities Investor Protection Act on October 31, 2011 and which proceeding is now completed.

### ***Note 2: Use of Estimates***

In preparing the statements of net assets in liquidation, the Plan Administrator has made various estimates that may affect reported amounts and disclosures. Estimates are based on available information and judgment. Actual results could differ from estimates and could have a material effect on the statements of net assets in liquidation. As more information becomes available to the Plan Administrator, including the outcome of various negotiations and litigation, amongst other matters, it is expected that estimates could be revised. Such revisions may be material.

### ***Note 3: Schedules of Cash Flows***

#### *Expense reimbursement from/to debtor affiliates*

Holdings Ltd. and Holdings USA incur disbursements for operating costs and professional fees on behalf of all three remaining Debtors, and in return are reimbursed by each Debtor for such Debtor's allocated portion of these expenses.

#### *Pre-petition receivables from non-debtor affiliates*

During the period, MF Global Canada Co. (“Canada”) made a distribution and Holdings Ltd. received \$0.02 million. In addition, MF Global Holdings HK Limited (“Hong Kong”) also made a distribution and Holdings USA and Holdings Ltd. received \$0.02 million combined.

#### *Other cash inflows*

During the period, Finance USA entered into confidential settlements with certain insurers representing \$30 million of the approximately \$141 million principal amount of Finance USA’s asserted claim as a result of the Dooley trading incident, resulting in payments from each settling insurer to Finance USA in excess of each such settling insurer’s principal obligations. In addition, Holdings

Ltd. was reimbursed \$0.9 million in legal fees and expenses related to AWAC's violation of the *Barton* doctrine. Finally, the Debtors collectively earned \$0.1 million in interest on cash balances.

#### Note 4: Receivables

The Plan Administrator has presented all receivables on a net basis, categorized by owing entity and whether the receivable was generated before or after the Debtors' respective Petition Date. The three types of owing parties are defined as follows: (i) "Non-affiliates" refer to third-parties, who were not a direct or indirect subsidiary of Holdings Ltd. on October 31, 2011; (ii) "Debtor affiliate" refers to one of the Debtors that is being jointly administered with Holdings Ltd.; and (iii) "Other affiliates" refer to non-Debtor entities that were a direct or indirect subsidiary of Holdings Ltd. on October 31, 2011.

"Debtor affiliate pre-petition receivables" include amounts per the Intercompany Settlement contained in the Second Amended Plan. Per the Second Amended Plan, Holdings Ltd.'s right to receive distributions on account of \$275,000,000 of its \$1,886,930,980 claim against Finance USA is subordinated to the rights of the holders of the Allowed Class 5B Liquidity Facility Unsecured Claims<sup>3</sup> until such time that the Class 5B Liquidity Facility Unsecured Claims are paid in full. Below is a roll forward of Debtor affiliate pre-petition receivables as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ 258,790,163	\$ 1,886,952,872	\$ 27,939,696	\$ 2,173,682,731
Distributions received	(57,478,330)	(549,813,911)	(3,538,447)	(610,830,688)
Asset assignment from other affiliates	-	673,651	-	673,651
Balance at June 30, 2017	\$ 201,311,833	\$ 1,337,812,612	\$ 24,401,249	\$ 1,563,525,694
Distributions received	-	-	-	-
Balance at September 30, 2017	\$ 201,311,833	\$ 1,337,812,612	\$ 24,401,249	\$ 1,563,525,694

"Other affiliate pre-petition receivables" contain pre-petition amounts owed from non-debtor former MF Global affiliates. The impact of exchange rate fluctuations on receivables denominated in foreign currency is recorded in these assets. During the period, Canada made a distribution and Holdings Ltd. received \$0.02 million. In addition, Hong Kong made a distribution and Holdings USA and Holdings Ltd. received \$0.02 million combined. Below is a roll forward of other affiliate pre-petition receivables as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ 1,555,558,294	\$ 134,072,690	\$ 165,616,158	\$ 1,855,247,142
Distributions received	(816,878,506)	(37,928,766)	(27,317,031)	(882,124,302)
Distribution credit from MFGI	-	(3,438,445)	-	(3,438,445)
MFGI Sub-Debt w rite-off	(470,000,000)	-	(130,000,000)	(600,000,000)
Asset assignments from other affiliates	-	1,047,461	-	1,047,461
Foreign exchange movements	-	(6,469,147)	(476,519)	(6,945,665)
MFGAA Member contributions	(268,679,788)	(12,615,157)	(5,307,514)	(286,602,459)
Other affiliate w rite-downs/offers	-	(523,150)	(523,132)	(1,046,283)
Other cash received	-	-	(30,000)	(30,000)
MF Global Holdings Overseas Limited ("MFGHOL") loan repayments	-	(22,703,614)	-	(22,703,614)
Balance at June 30, 2017	\$ -	\$ 51,441,872	\$ 1,961,962	\$ 53,403,834
Distributions received	-	(20,692)	(14,537)	(35,229)
Foreign exchange movements	-	821,555	59,812	881,367
Balance at September 30, 2017	\$ -	\$ 52,242,735	\$ 2,007,238	\$ 54,249,972

"Debtor affiliate post-petition receivables" contain amounts owed between Debtors for post-petition obligations arising from the operating expenses of the Debtors' estates.

"Other affiliate post-petition receivables" contain post-petition amounts owed from non-debtor former MF Global affiliates. Below is a roll forward of other affiliate post-petition receivables as of September 30, 2017.

<sup>3</sup> As such term is defined in the Second Amended Plan.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ -	\$ 5,874,116	\$ 43,766	\$ 5,917,882
MFGHOL accrued interest repayments	-	(9,796,386)	-	(9,796,386)
Interest income on MFGHOL loan	-	7,228,600	-	7,228,600
Other cash received	-	(2,017,227)	(46,406)	(2,063,633)
Other fees	-	5,766	2,640	8,406
Balance at June 30, 2017	\$ -	\$ 1,294,869	\$ -	\$ 1,294,869
Interest income on MFGHOL loan	-	575,872	-	575,872
Other cash received	-	86	-	86
Balance at September 30, 2017	\$ -	\$ 1,870,827	\$ -	\$ 1,870,827

Receivables are reported at the face amount of the receivable or at settlement agreement value, less amounts received through the end of the reporting period. Provisions and write-downs to receivables may be recorded in the future when greater clarity on the financial situation of each counterparty and collectability of each receivable becomes known.

**Note 5: Other Assets**

The Plan Administrator does not have current valuations of all assets as of the reporting date. Other Assets include professional fee retainers and security deposits, as well as receivables arising from the purchase of claims filed against MFGUK that had payment guarantees from Holdings Ltd. and the assignment of certain insurance litigation from MFGI. Pursuant to an Assignment Agreement between the SIPA Trustee and Finance USA dated May 23, 2014, the SIPA Trustee assigned his rights in certain insurance litigation related to the Dooley trading incident to Finance USA in exchange for, among other things, \$102.0 million. In order to effect this \$102.0 million payment, the SIPA Trustee, as permitted by the Assignment Agreement, withheld \$102.0 million from the distributions made from MFGI on October 31, 2014 that otherwise would have been distributed to Finance USA. During the period, Finance USA received payments which bring the remaining balance in Other Assets to \$2.0 million. Amounts ultimately realized may vary materially from amounts currently recorded in the statements of net assets in liquidation. Additional information on potential ranges of recoveries by the Debtors is included in the Disclosure Statement for the Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code for the Debtors (as supplemented "Disclosure Statement") (Docket Nos. 1111-1 & 1193). Accordingly, the Plan Administrator may amend or adjust the value of these assets in the future.

**Note 6: MF Global Assigned Assets LLC**

On September 8, 2015, pursuant to the Sale and Assumption Agreement, the Plan Administrator designated Assigned Assets its assignee under the agreement and the Members made an initial capital contribution in the form of an assignment of all of that Member's rights and interests in its MFGI claims in exchange for a ratable membership interest. Subsequent to the capital contribution, solvent former Debtors Capital and FX Clear assigned all assets and MFGAA interests to their direct parent entity Holdings USA and in March 2016, Special Investor and FX LLC also assigned all assets and MFGAA interests to their direct parent entities Holdings Ltd. and Holdings USA, respectively. Below is a breakdown of the allowed general unsecured claim each Member held at MFGI as well as the corresponding membership percentage in Assigned Assets, both at the time of the initial contribution and at September 30, 2017.

Member	Allowed General Unsecured Claim at MFGI	Membership Percentage as of September 8, 2015	Membership Percentage as of September 30, 2017
MF Global Finance USA Inc.	\$ 1,033,383,802	88.862192%	88.862192%
MF Global Holdings Ltd.	48,712,140	4.188829%	7.952576%
MF Global Special Investor LLC	43,768,836	3.763747%	0%
MF Global Holdings USA Inc.	33,656,292	2.894154%	3.185234%
MF Global Capital LLC	3,044,660	0.261815%	0%
MF Global FX Clear LLC	311,014	0.026745%	0%
MF Global FX LLC	29,300	0.002520%	0%
<b>TOTAL</b>	<b>\$ 1,162,906,045</b>	<b>100%</b>	<b>100%</b>

During the period, Assigned Assets received a \$0.1 million recovery from previously unclaimed property. In addition, the Plan Administrator maintained the \$3.7 million MFGAA Expense Reserve for potential future operating expenses and professional fees. Below is a roll forward of selected balance sheet accounts of Assigned Assets as of September 30, 2017.



	Cash	MFGUK Receivable	Other Accounts Receivable (at face amounts)	Other Assets <sup>(1)</sup>	Equity - Member contributions of MFGI claims
Balance at September 30, 2015	\$ 58,669,784	\$ 37,874,962	\$ 1,059,924	\$ 204,673,608	\$ 302,278,278
Post-closing distributions from MFGI	36,976,177	-	-	(36,284,252)	691,925
Distributions to Members	(147,901,951)	-	-	-	(147,901,951)
Customer Class Counsel fees	29,800,000	-	-	(29,800,000)	-
MDL Settlement	12,015,468	-	-	(12,015,468)	-
Confidential settlements	6,532,500	-	-	(8,895,588)	(2,363,088)
Assigned receivables from MFGI	-	-	1,048,302	(1,048,302)	-
DTCC distribution	1,393,571	-	-	(1,393,571)	-
MF Global UK Limited distribution	5,940,659	(5,940,659)	-	-	-
Foreign exchange movements	-	(5,384,360)	-	-	(5,384,360)
Cash received	5,288,771	-	(944,153)	(4,356,886)	(12,267)
Operating expenses	(5,651,077)	-	-	-	(5,651,077)
Interest on cash balances	84,240	-	-	-	84,240
Balance at June 30, 2017	\$ 3,148,142	\$ 26,549,943	\$ 1,164,074	\$ 110,879,541	\$ 141,741,700
Foreign exchange movements	-	879,491	-	-	879,491
Cash received	128,112	-	-	(30,422)	97,689
Operating expenses	(772,947)	-	-	-	(772,947)
Interest on cash balances	3,399	-	-	-	3,399
Balance at September 30, 2017	\$ 2,506,706	\$ 27,429,434	\$ 1,164,074	\$ 110,849,118	\$ 141,949,332

<sup>(1)</sup> Other assets are reported at the carrying amount of the remaining uncollected balance of the former MFGI claims. Provisions and adjustments may be recorded in the future when greater clarity on collectability becomes known.

### Note 7: Foreign Currency

The functional currency of each of the Debtors is U.S. dollars. The Debtors hold receivables from former UK affiliates of approximately £20.8 million as of the reporting date, and those balances have been converted to U.S. dollars as of the reporting date for presentation purposes. The GBP/USD exchange rate used at September 30, 2017 was 1.33983 compared to the June 30, 2017 rate of 1.29687. As of September 30, 2017, the breakdown of these receivables in pounds sterling is as follows:

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at July 1, 2017	£ -	£ 464,083	£ 1,396,217	£ 1,860,300
Distributions received	-	-	-	-
Total MF Global UK Limited claim remaining at September 30, 2017	£ -	£ 464,083	£ 1,396,217	£ 1,860,300
Balance at July 1, 2017	£ -	£ 18,900,023	£ -	£ 18,900,023
Distributions received	-	-	-	-
Total MF Global Finance Europe Limited claims remaining at September 30, 2017	£ -	£ 18,900,023	£ -	£ 18,900,023
<b>Total receivables in GBP at September 30, 2017</b>	<b>£ -</b>	<b>£ 19,364,106</b>	<b>£ 1,396,217</b>	<b>£ 20,760,323</b>

In addition to the direct foreign currency exposure detailed above, the Debtors also have indirect exposure resulting from the Debtors' claims against, and interests in, certain former MF Global affiliates, which in turn have asset recoveries with direct foreign currency exposure. The largest example is the Debtors' combined interests in MFGAA, which has remaining pound sterling exposure due to its claims against the MFGUK estate. The Debtors have also filed claims against other former affiliates in U.S. dollars that may be allowed in local currency, causing additional foreign currency exposure. While the Debtors' largest currency exposure (direct and indirect) is pound sterling, the Debtors' also have direct and/or indirect exposure to Singapore dollars, New Taiwan dollars, Australian dollars, Hong Kong dollars and Canadian dollars, amongst other currencies. The Debtors have not hedged any foreign currency exposure.

### Note 8: Liabilities Subject to Compromise

Liabilities subject to compromise include claims filed by creditors asserting obligations incurred prior to the Debtors' respective Petition Dates, which have not yet been withdrawn, expunged, resolved, or paid and satisfied. Liabilities subject to compromise do not represent the amounts that may ultimately be paid in respect of such claims. Liabilities subject to compromise exclude claims and interests classified as either preferred interests or common interests. Additional information on potential ranges of recoveries to holders of allowed pre-petition claims is included in the Disclosure Statement.

"Claims Subject to Reconciliation" and "Subordinated Claims not Allowed" refer to claims filed for potential pre-petition obligations, for which reconciliation of the claims has not yet been completed. The amounts of the claims are reported at the face values of the claims, which do not necessarily represent the amounts that may ultimately be allowed, if any. Claims filed for unliquidated amounts are presented at zero value until reconciliations of the claims are completed.

Included in Claims Subject to Reconciliation are amounts claimed for which objections may be filed in the Bankruptcy Court, as well as subordinated claims which are not expected to be allowed or receive distributions. If objections are sustained, the related claimed amounts will be withdrawn and removed from Claims Subject to Reconciliation. There is no guarantee that the Bankruptcy Court will sustain objections. If objections are not sustained, the claimed amounts will either remain in Claims Subject to Reconciliation or be reclassified to Allowed Claims, as appropriate.

“Allowed claims – Debtor affiliate” refers to claims allowed by the Second Amended Plan for pre-petition obligations between the Debtors, and are reported at the allowed values of the claims less any distributions that have been made. These balances include amounts allowed by the Intercompany Settlement as defined in the Second Amended Plan. Below is a roll forward of allowed claims – debtor affiliate as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ (1,893,080,591)	\$ (30,270,015)	\$ (258,790,163)	\$ (2,182,140,769)
Distribution payments	551,852,858	9,921,028	57,478,330	619,252,216
Balance at June 30, 2017	\$ (1,341,227,733)	\$ (20,348,987)	\$ (201,311,833)	\$ (1,562,888,553)
Distribution payments	-	-	-	-
Balance at September 30, 2017	\$ (1,341,227,733)	\$ (20,348,987)	\$ (201,311,833)	\$ (1,562,888,553)

“Allowed claims – Other affiliate” refers to non-Debtor entities that were a direct or indirect subsidiary of Holdings Ltd. on October 31, 2011, and are reported at the allowed values of the claims less any distributions that have been made. Below is a roll forward of allowed claims – other affiliate as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ (4,666,462)	\$ (1,019,133)	\$ (94,356)	\$ (5,779,951)
Distribution payments	1,591,515	334,022	-	1,925,537
Asset assignment from other affiliates	-	-	17,127	17,127
Balance at June 30, 2017	\$ (3,074,946)	\$ (685,111)	\$ (77,229)	\$ (3,837,287)
Distribution payments	-	-	-	-
Balance at September 30, 2017	\$ (3,074,946)	\$ (685,111)	\$ (77,229)	\$ (3,837,287)

“Allowed claims – Liquidity Facility Unsecured Claim” refers to the unsecured claims allowed under the Second Amended Plan for the revolving credit facility dated as of June 15, 2007 for which Holdings Ltd. and Finance USA were borrowers, and are reported at the allowed values of the claims less any distributions that have been made. Below is a roll forward of allowed claims – liquidity facility unsecured claim as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ (1,152,200,622)	\$ (1,152,200,622)	\$ -	\$ (2,304,401,244)
Distribution payments on \$1,152 million allowed claim	392,962,631	377,634,906	-	770,597,537
Distribution payments on \$275 million settlement	93,789,850	-	-	93,789,850
Balance at June 30, 2017	\$ (665,448,141)	\$ (774,565,716)	\$ -	\$ (1,440,013,857)
Distribution payments	-	-	-	-
Balance at September 30, 2017	\$ (665,448,141)	\$ (774,565,716)	\$ -	\$ (1,440,013,857)

“Allowed claims – Notes Claim” refers to the claim for principal and interest allowed under the Second Amended Plan for the (a) 1.875% convertible senior notes due 2016, (b) 9% convertible senior notes due 2038, (c) 3.375% convertible senior notes due 2018, and (d) 6.25% senior notes due 2016, and is reported at the allowed value of the claim less any distributions that have been made. Below is a roll forward of allowed claims – notes claim as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ -	\$ (1,027,548,593)	\$ -	\$ (1,027,548,593)
Distribution payments	-	336,780,079	-	336,780,079
Balance at June 30, 2017	\$ -	\$ (690,768,514)	\$ -	\$ (690,768,514)
Distribution payments	-	-	-	-
Balance at September 30, 2017	\$ -	\$ (690,768,514)	\$ -	\$ (690,768,514)

“Allowed claims – Other unsecured” represents all other currently allowed and unpaid general unsecured claims filed for pre-petition obligations and are reported at the allowed values of the claims less any distributions that have been made. Below is a roll forward of allowed claims – other unsecured as of September 30, 2017.

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Holdings USA Inc.	Total
Balance at September 30, 2014	\$ -	\$ (39,814,603)	\$ (21,603,980)	\$ (61,418,583)
Allowed claims	-	(3,696,600)	(3,101,083)	(6,797,683)
Withdrawal claims	-	3,598,197	-	3,598,197
Distribution payments	-	14,545,683	6,560,639	21,106,322
Balance at June 30, 2017	\$ -	\$ (25,367,323)	\$ (18,144,424)	\$ (43,511,747)
Distribution payments	-	-	-	-
Balance at September 30, 2017	\$ -	\$ (25,367,323)	\$ (18,144,424)	\$ (43,511,747)

“Allowed claims – Subordinated” represents currently allowed and unpaid claims filed for pre-petition obligations that have been subordinated and are reported at the allowed values of the claims. As of September 30, 2017, no distributions have been made on the \$106.2 million subordinated claims allowed at Holdings Ltd.

**Note 9: Liabilities to be Settled in Full**

Liabilities to be Settled in Full represent liabilities that are expected to be paid at 100% of the reported amount.

- “Administrative, secured and priority” refer to claims filed for obligations incurred after the Debtors’ respective Petition Dates and prior to the Effective Date, claims secured by a lien on property in which the Debtors have an interest, or claims entitled to priority in payment pursuant to the Bankruptcy Code, all as defined by the Second Amended Plan.
- “Debtor and other affiliate charges” refer to amounts owed between Debtors or other controlled affiliates for post-petition obligations arising from the operating expenses of the Debtors’ estates or the assignment of assets from non-Debtors.

**Note 10: Professional Fees**

Professional Fees are presented based on the date incurred and include amounts that have been incurred but are unpaid for professionals retained by the Plan Administrator on behalf of the Debtors through the reporting date. Amounts accrued for Professional Fees include invoices received and estimates.

**Note 11: Estimated Plan Administration Expenses**

Estimated Plan Administration Expenses represent (i) an estimate of future operating expenses and professional fees (including litigation costs) and (ii) accrued, but unpaid, operating expenses. The Plan Administrator maintained the \$41.3 million Plan Administration Expenses Reserve for potential future operating expenses and professional fees, which includes reasonable contingency amounts. The Plan Administrator may continue to revise the estimate of future Plan Administration Expenses periodically, as necessary.

**Note 12: Subsequent Events**

On October 10, 2017, Finance USA entered into a confidential settlement with an insurer representing \$12.2 million of the approximately \$141 million principal amount of Finance USA’s claim as a result of the Dooley trading incident for a total payment to Finance USA in excess of the settling insurer’s principal obligation. The settlement proceeds from this partial settlement in *New Hampshire Insurance Co. et al. v. MF Global Finance USA, Inc., No. 601621/09 (MF)*, brought in the Supreme Court of the State of New York, New York County, have been paid in full and will be reflected in the next QOR.

The Plan Administrator has recorded amounts in the financial statements as of the reporting date based on the information available at the time the review was performed. Any events subsequent to the time of the review are not reflected in the statements of net assets in liquidation or schedule of cash flows and will be reflected in future QORs.

## MATERIAL EVENTS

For the period ending September 30, 2017

	Event	Yes	No	Notes
1	Any settlement of an individual Claim greater than \$25 million		X	
2	Any litigation settlement where the Cause of Action was greater than \$25 million or the settlement is for more than \$25 million		X	
3	Any sale of Property of the Estate where the face amount of such asset is \$25 million or greater		X	
4	Other significant events	X		(i)

- (i) During the period, Finance USA entered into confidential settlements with certain insurers representing \$30 million of the approximately \$141 million principal amount of Finance USA's asserted claim as a result of the Dooley trading incident, resulting in payments from each settling insurer to Finance USA in excess of each such settling insurer's principal obligations. The settlement proceeds from these partial settlements have been paid in full during the reporting period.