

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
MF GLOBAL HOLDINGS LTD., *et al.*, : Case No. 11-15059 (MG)
Debtors. : (Jointly Administered)
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**ORDER APPROVING CHAPTER 11 TRUSTEE’S AMENDED APPLICATION
FOR AN ORDER UNDER 11 U.S.C. § 328, FED. R. BANKR. P. 2014 AND 2016,
AND LOCAL BANKRUPTCY RULES 2014-1 AND 2016-1 AUTHORIZING THE
RETENTION OF FTI CONSULTING, INC. AS RESTRUCTURING ADVISORS
TO THE DEBTORS AND THE CHAPTER 11 TRUSTEE *NUNC PRO TUNCO*
NOVEMBER 1, 2011**

Upon the amended application (the “Application”)¹ of Louis J. Freeh (the “Trustee”), the duly-appointed Chapter 11 Trustee of MF Global Holdings Ltd. and MF Global Finance USA Inc. (the “Initial Debtors”), and the duly-appointed Chapter 11 Trustee of MF Global Capital LLC, MF Global FX Clear LLC and MF Global Market Services LLC (the “Additional Debtors” and together with the Initial Debtors, the “Debtors”), for entry of an order pursuant to section 328 of title 11 of the United States Code, as amended (the “Bankruptcy Code”), and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), as well as Rules 2014-1 and 2016-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), authorizing the retention of FTI Consulting, Inc. (“FTI”) as financial advisors to the Initial Debtors from the Initial Debtors’ Petition Date to the Appointment Date, and as financial advisors to the Trustee from the

¹ Capitalized terms used herein shall have the same meaning ascribed to them in the Application

Appointment Date forward; and the Court having reviewed the Application and the Eisenband Affidavit, and the Court being satisfied with the representations made in the Application and the Eisenband Affidavit that FTI represents no interest adverse to the estates, that it is a “disinterested person” as that term is defined under Bankruptcy Code section 101(14), that its employment is necessary and in the best interests of the Debtors’ estates, creditors, and other parties-in-interest; and due and sufficient notice of the Application having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application is GRANTED as set forth herein.
2. To the extent the Application is inconsistent with this order or the Eisenband Affidavit, the terms of this order shall govern.
3. In accordance with Bankruptcy Code section 328, the Trustee is authorized to employ and retain FTI as his restructuring advisors on the terms set forth herein, with such employment being authorized *nunc pro tunc* to November 1, 2011.
4. Specifically, FTI is authorized to provide the following services:
 - (a) Assist with the preparation of financialyl-related disclosures required by the Court, including the Schedules of Assets and Liabilities, the Statement of Financial Affairs and Monthly Operating Reports;
 - (b) Assist with information and analyses required pursuant to the Trustee’s (and, prior to the Appointment Date, the Debtors’) pursuit of debtor-in-possession (“DIP”) financing including preparation for hearings regarding the use of cash collateral and DIP financing;
 - (c) Assist with the identification and implementation of short-term cash management procedures;

- (d) Advise and assist with the development and implementation of key employee retention and other critical employee benefit programs;
- (e) Assist and advise the Trustee (and, prior to the Appointment Date, the Debtors') with respect to the identification of core business assets and the disposition of assets or liquidation of unprofitable operations;
- (f) Assist with the identification of executory contracts and leases and performance of cost/benefit evaluations with respect to the assumption or rejection of each;
- (g) Assist with the valuation of the present level of operations and identification of areas of potential cost savings, including overhead and operating expense reductions and efficiency improvements;
- (h) Assist in the preparation of financial information for distribution to creditors and others;
- (i) Attend meetings and assist in discussions with potential investors, banks and other secured lenders, any official committee appointed in these chapter 11 cases, the U.S. Trustee, other parties in interest and professionals hired by the same, as requested;
- (j) Analyze creditor claims by type, entity and individual claim;
- (k) Analyze the financial impact on the Debtors of the various other insolvency proceeding of the Debtors' affiliates (including the SIPA proceeding, UK insolvency proceedings and various administration proceeding in Asia and other parts of the world);
- (l) Assist in the preparation of information and analysis necessary for the confirmation of a plan in these Chapter 11 Proceedings;
- (m) Assist in the evaluation and analysis of avoidance actions, including fraudulent conveyances and preferential transfers;
- (n) Assist in the analysis of accounting and tax matters in connection with any litigation, along with expert witness testimony on case-related issues, if such services are necessary;
- (o) Render such other general business consulting or such other assistance as Debtors' management or counsel may deem necessary that are consistent with the scope of these services and not duplicative of services provided by other professionals in this proceeding; and
- (p) Assist with forensic accounting, forensic reviews and investigations, information technology issues, data retention, data preservation, data collection, and data analysis.

5. FTI will be compensated with a monthly fixed fee of \$1,500,000 for the months of November and December, 2011, \$1,000,000 for the months of January and February, 2012, \$750,000 for the months of March and April, 2012, and \$500,000 thereafter (the “Monthly Fixed Fees”), plus reimbursement of actual and necessary expenses incurred by FTI in accordance with the standard of review provided for in Bankruptcy Code sections 328(a), and not subject to any other standard of review, including under Section 330 of the Bankruptcy Code and such Bankruptcy Rules as may then be applicable, from time-to-time, and such procedures as may be fixed by order of this Court; provided, however, in the event there is a reduction in the services provided by FTI or required of FTI, by the Trustee after May 2012, the Trustee reserves the right to seek a reduction of the Monthly Fixed Fees and an amendment of this Order, subject to the approval of the Bankruptcy Court.

6. The U.S. Trustee retains all rights to object to FTI’s fee applications on all grounds, including, but not limited to, the reasonableness standard provided for in section 330 of the Bankruptcy Code, provided further, that in the event the U.S. Trustee objects, the Court retains the right to review the fee applications pursuant to section 330 of the Bankruptcy Code.

7. FTI is hereby authorized to keep time records in half-hour increments and will submit, with any interim or final fee application, together with the time records, a narrative summary, by project category, of services rendered and will identify each professional rendering services, the category of services rendered and the amount of compensation requested.

8. The Debtors agree to and shall indemnify and hold harmless FTI and any of its subsidiaries and affiliates, officers, directors, principals, shareholders, agents, independent contractors and employees (collectively "Indemnified Persons"). All requests of Indemnified Persons for payment of indemnity pursuant to the Application shall be made by means of an application (interim or final, as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Application and are reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought, *provided, however*, that in no event shall an Indemnified Person be indemnified in the case of its own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

9. All requests of Indemnified Persons for payment of indemnity pursuant to the Application shall be made by means of an application (interim or final, as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Application and are reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought, *provided, however*, that in no event shall an Indemnified Person be indemnified in the case of its own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

10. In the event that an Indemnified Person seeks reimbursement from the Debtors for reasonable attorneys' fees in connection with a request by the Indemnified Person for payment of indemnity, the invoices and supporting time records from such attorneys shall be included in FTI's own application (both interim and final) and such invoices and time records shall be subject to the Fee Guidelines and the approval of the

Court under the standards of Bankruptcy Code sections 330 and 331 without regard to whether such attorney has been retained under Bankruptcy Code section 327 and without regard to whether such attorneys' services satisfy Bankruptcy Code section 330(a)(3)(C).

11. Indemnified Persons shall not be entitled to reimbursement by the Debtors for any fees, disbursements or other charges of FTI's counsel other than those incurred in connection with a request of Indemnified Persons for payment of indemnity.

12. FTI shall use its best efforts to avoid any duplication of services provided by the Trustee, as well as any of the Trustee's other retained professionals.

13. FTI has agreed to waive an unpaid receivable from the Debtors of \$167,028.89.

14. The Trustee is authorized to take all actions necessary to effectuate the relief granted by this order in accordance with the Application.

15. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this order.

Dated: New York, New York
February 9, 2012

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge