

MF GLOBAL HOLDINGS LTD., ET AL.
Post-Effective Date Quarterly Operating Report
For the period ending September 30, 2014

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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”¹) 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. During the reporting period, the Plan Administrator continued to review and reconcile certain pre-petition and administrative claims filed against the Debtors. The Plan Administrator has identified and will continue to identify claims that it believes should be disallowed for a number of reasons, including but not limited to: claims that are duplicative of other claims; claims that are amended by later filed claims; claims that are not properly filed against a Debtor in the Debtors’ chapter 11 cases; and claims that are either overstated, assert an incorrect priority, or that cannot otherwise properly be asserted against the Debtors. The Plan Administrator has objected and will continue to object to such claims as appropriate. Accordingly, adjustments to the financial information provided herein may be reflected in future QORs as a result of the claims reconciliation process, and such adjustments may be material.

CURRENT QUARTER ACTIVITY SUMMARY

On July 18, 2014, Holdings Ltd. fully repaid its outstanding borrowings of \$35.0 million under the Exit Facility, as defined in the Second Amended Plan, using proceeds from a \$35.0 million secured loan from Finance USA. The secured loan bears interest at 8.5% per annum. On August 6, 2014, \$2.0 million of this secured loan was repaid by Holdings Ltd. As of September 30, 2014, pursuant to the secured loan, Holdings Ltd. had outstanding indebtedness to Finance USA of \$33.0 million.

Certain of the Debtors’ former officers, directors and employees filed various contingent, unliquidated claims for indemnification and advancement of defense costs (the “Indemnification Claims”) against the Debtors in the Debtors’ chapter 11 cases. With respect to certain of the Debtors’ former officers and employees that were either never named as defendants in, or were dismissed from, various lawsuits and other proceedings (the “Non-Party Claimants”), on August 26, 2014 the Court approved a stipulation capping Indemnification Claims for the Non-Party Claimants at (i) \$0.4 million for claims incurred through August 11, 2014 and (ii) \$0.2 million for claims incurred after August 11, 2014. In addition, the Court entered an order (x) estimating certain other Indemnification Claims at \$0.00, (y) disallowing, subordinating and estimating at \$0.00 the Indemnification Claims of eight individuals named as defendants only in a class action or other actions alleging securities fraud and violations of the Securities Acts, and (z) estimating the Indemnification Claims of Bradley Abelow, Jon Corzine and Henri Steenkamp at \$5.0 million each.

¹ 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.

MF Global Holdings Ltd., et al.
Schedules of Cash Flows (Unaudited)
For the Period July 1, 2014 through September 30, 2014

	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Market Services LLC	MF Global Capital LLC	MF Global FX Clear LLC	MF Global Holdings USA Inc.	Total
Cash balance at July 1, 2014	\$ 65,621,660	\$ 18,429,633	\$ 9,837,319	\$ 5,718,065	\$ 7,779,595	\$ 5,746,981	\$ 113,133,253
Cash Inflows:							
Expense Reimbursement from Debtor Affiliates	-	1,414,648	-	-	-	868,793	2,283,441
Pre-petition receivables from Debtor Affiliates	-	-	-	-	-	-	-
Pre-petition receivables from Non-Debtor Affiliates	-	26,999	-	-	-	391,150	418,149
Debtor Affiliate Secured Loan	-	35,000,000	-	-	-	-	35,000,000
Other	2,612,319	2,011,912	6,509	205,666	5,303	523,198	5,364,907
Total Inflows	2,612,319	38,453,558	6,509	205,666	5,303	1,783,142	43,066,497
Cash Outflows:							
Payroll, Payroll Taxes and Employee Benefits	-	-	-	-	-	(1,223,113)	(1,223,113)
Operating Costs	(3,000)	(670,844)	-	-	-	(70,647)	(744,491)
Professional Fees	(142,545)	(2,683,967)	-	-	(13,514)	-	(2,840,026)
US Trustee Fees	-	(92,900)	-	-	-	-	(92,900)
Other	-	-	-	-	-	-	-
Total Operating Expenses	(145,545)	(3,447,711)	-	-	(13,514)	(1,293,760)	(4,900,530)
Repayment of Borrowings	-	(35,000,000)	-	-	-	-	(35,000,000)
Debtor Affiliate Secured Loan	(35,000,000)	-	-	-	-	-	(35,000,000)
Repayment of Debtor Affiliate Secured Loan	-	(2,000,000)	-	-	-	-	(2,000,000)
Payment of Interest and Costs on Exit Facility and Debtor Affiliate Secured Loan	-	(756,806)	-	-	-	-	(756,806)
Expense Reimbursement to Debtor Affiliates	(975,707)	(309,718)	(195,843)	(215,002)	(278,661)	(308,510)	(2,283,441)
Distributions:							
Administrative Claims	-	-	-	-	-	-	-
Priority Tax Claims (includes Admin tax claims)	-	-	-	-	-	-	-
1- Priority Non-Tax Claims	-	-	-	-	-	(73,316)	(73,316)
2 - Secured Claims	-	-	-	-	-	-	-
3- JPMorgan Secured Setoff Claim	-	-	-	-	-	-	-
4- Convenience Claims	-	(472,562)	-	-	-	(389,688)	(862,250)
5-Liquidity Facility Unsecured Claims	-	-	-	-	-	-	-
6-General Unsecured Claims	-	-	(5,129)	(187,069)	-	-	(192,198)
7- Subordinated Claims	-	-	-	-	-	-	-
8- Preferred Interests	-	-	-	-	-	-	-
9- Common Interests	-	-	-	-	-	-	-
Total Distributions	-	(472,562)	(5,129)	(187,069)	-	(463,004)	(1,127,763)
Total Cash Outflows	(36,121,252)	(41,986,797)	(200,972)	(402,071)	(292,175)	(2,065,274)	(81,068,541)
Net Cash Flows:	(33,508,933)	(3,533,239)	(194,463)	(196,405)	(286,872)	(282,131)	(38,002,043)
Cash balance at September 30, 2014	\$ 32,112,727	\$ 14,896,394	\$ 9,642,856	\$ 5,521,661	\$ 7,492,723	\$ 5,464,849	\$ 75,131,210

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, 2014

	Note	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Market Services LLC	MF Global Capital LLC	MF Global FX Clear LLC	MF Global Holdings USA Inc.	Total
Cash		\$ 32,112,727	\$ 14,896,394	\$ 9,642,856	\$ 5,521,661	\$ 7,492,723	\$ 5,464,849	\$ 75,131,210
Non-affiliate pre-petition receivables	4	719,475	-	849,965	353,614	10,508	-	1,933,562
Debtor affiliate pre-petition receivables	4	258,790,163	1,886,952,872	1,928,290	498,213	6,149,611	27,939,696	2,182,258,844
Other affiliate pre-petition receivables	4	1,555,558,294	134,072,690	-	4,298,521	4,522,780	165,616,158	1,864,068,443
Non-affiliate post-petition receivables	4	-	-	-	-	-	-	-
Debtor affiliate post-petition receivables	4	33,036,242	414,349	-	938	-	276,994	33,728,522
Other affiliate post-petition receivables	4	-	5,874,116	-	-	-	43,766	5,917,882
Other assets	5	23,960,261	20,736,594	-	-	-	-	44,696,855
Total assets		1,904,177,161	2,062,947,015	12,421,111	10,672,945	18,175,623	199,341,463	4,207,735,318
Liabilities subject to compromise:	7							
Claims subject to reconciliation		(415,842)	(68,223,755)	(2,113,795)	(6,769)	(5,657,792)	(12,827,751)	\$ (89,245,703)
Allowed claims:								
Debtor affiliate		(1,893,080,591)	(30,270,015)	-	-	(118,075)	(258,790,163)	(2,182,258,844)
Other affiliate		(4,666,462)	(1,019,133)	(9,969)	(18,006)	(13,781)	(94,356)	(5,821,707)
Liquidity Facility unsecured claim		(1,152,200,622)	(1,152,200,622)	-	-	-	-	(2,304,401,244)
Notes claim		-	(1,027,548,593)	-	-	-	-	(1,027,548,593)
Other unsecured		-	(39,814,603)	(68,062)	(12,047)	(6,141,443)	(21,603,980)	(67,640,134)
Subordinated		-	-	-	-	(481,920)	-	(481,920)
Liabilities to be settled in full:	8							
Administrative, secured and priority		-	(17,582)	-	-	-	(12,399)	(29,981)
Debtor affiliate charges		(409,607)	(173,250)	(7,142)	(14,284)	(56,546)	(67,693)	(728,522)
Debtor affiliate borrowings		-	(33,000,000)	-	-	-	-	(33,000,000)
Professional fees - post-effective date	9	-	(1,949,383)	-	-	-	-	(1,949,383)
Estimated Plan Administration Expenses	10	(10,449,466)	(19,047,500)	(111,870)	(223,740)	(994,603)	(1,944,649)	(32,771,828)
Total Liabilities		(3,061,222,590)	(2,373,264,436)	(2,310,838)	(274,846)	(13,464,159)	(295,340,991)	(5,745,877,859)
Net assets in liquidation		\$ (1,157,045,428)	\$ (310,317,421)	\$ 10,110,273	\$ 10,398,098	\$ 4,711,464	\$ (95,999,528)	\$ (1,538,142,542)

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 a 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 currently pending in the Bankruptcy Court. As a result, since October 31, 2011, the Debtors have had limited access to certain books and records, certain back office systems and certain document repositories.

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 six Debtors, and in return are reimbursed by each Debtor for such Debtor's allocated portion of these expenses.

Pre-petition receivables with debtor/other affiliates

During the period Holdings USA received \$0.3 million from MF Global Singapore Pte Limited on account of its allowed claims. Additionally, Holdings USA and Holdings Ltd. received \$0.1 million and \$0.03 million, respectively, from MF Global Holdings HK Limited on account of their allowed claims.

Debtor affiliate secured loan/repayment of borrowings

On July 18, 2014, Holdings Ltd. fully repaid its outstanding borrowings of \$35.0 million under the Exit Facility using proceeds from a \$35.0 million secured loan from Finance USA. The secured loan bears interest at 8.5% per annum. On August 6, 2014, \$2.0 million of this secured loan was repaid by Holdings Ltd and is included in “Other” on Finance USA’s schedule of cash flows. As of September 30, 2014, pursuant to the secured loan, Holdings Ltd. had outstanding indebtedness to Finance USA of \$33.0 million.

Other cash inflows

During the period, Holdings Ltd. received a \$2.0 million dividend from MF Global Holdings Europe Limited which it used to repay \$2.0 million in principal on the secured loan from Finance USA. In addition, Holdings Ltd. paid \$0.6 million in interest to Finance USA on the secured loan. Also during the period, Holdings USA received a \$0.5 million refund of a federal tax penalty and Capital received \$0.2 million in recoveries on account of pre-petition receivables from third parties. Finally, the Debtors collectively earned \$0.06 million in interest on cash balances.

Distributions

During the period, Holdings Ltd. and Holdings USA made distributions of \$0.5 million and \$0.4 million, respectively, on convenience class claims. In addition, Capital and Market Services made further distributions totaling \$0.2 million representing 100% of claims allowed during the period.

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.

A portion of the non-affiliate pre-petition receivables is due from MFGI. These receivables relate to loans provided by Finance USA to certain counterparties. These counterparties have outstanding allowed claims to recover further amounts from MFGI. Certain counterparties have transferred their allowed claims against MFGI to Finance USA as part of a settlement of the outstanding amounts due under the loans.

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 Claims² until such time that the Class 5B Liquidity Facility Unsecured Claims are paid in full.

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, Holdings USA received a \$0.3 million distribution from MF Global Singapore Pte Limited and Holdings USA and Holdings Ltd. received distributions of \$0.1 million and \$0.03 million, respectively, from MF Global Holdings HK Limited.

Debtor affiliate post-petition receivables contain amounts owed between Debtors for post-petition obligations arising from the operating expenses of the Debtors’ estates. During the period Holdings Ltd. borrowed \$35.0 million from Finance USA to repay its remaining outstanding borrowings under the Exit Facility. \$2.0 million of this secured loan was repaid by Holdings Ltd. during the period.

Other affiliate post-petition receivables contain post-petition amounts owed from non-debtor former MF Global affiliates. During the period, Holdings Ltd. recorded a \$2.0 million receivable from MF Global Special Investor LLC as consideration for the assignment of MF Global Future Trust Co.’s claims against MF Global Singapore Pte Limited.

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.

² As such term is defined in the Second Amended Plan.

Note 5: Other Assets

The Plan Administrator does not have current valuations of all assets as of the reporting date. Other Assets include expected tax refunds and security deposits, as well as receivables arising from the purchase of Taiwanese customer claims filed against MF Global Singapore Pte Ltd. As of September 30, 2014 other assets held by Finance USA reflect \$24.0 million in receivables arising from the aforementioned purchase of Taiwanese customer claims and other assets held by Holdings Ltd. include a \$20.7 million income tax receivable. 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: Foreign Currency

The functional currency of each of the Debtors is U.S. dollars. The Debtors hold receivables from former UK affiliates of approximately £24.6 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, 2014 was 1.62388 compared to the June 30, 2014 rate of 1.71262. As of September 30, 2014, the breakdown of these receivables in pounds sterling is as follows:

	<u>MF Global Finance USA Inc.</u>	<u>MF Global Holdings Ltd.</u>	<u>MF Global Market Services LLC</u>	<u>MF Global Capital LLC</u>	<u>MF Global FX Clear LLC</u>	<u>MF Global Holdings USA Inc.</u>	<u>Total</u>
MF Global UK Limited allowed claims	£ -	£ 2,414,820	£ -	£ 2,973,917	£ 10,702,735	£ 285,515	£ 16,376,986
Less: Distributions received	-	(1,835,263)	-	(2,260,177)	(8,134,078)	(216,991)	3,268,514
Total claim remaining at September 30, 2014	<u>£ -</u>	<u>£ 579,557</u>	<u>£ -</u>	<u>£ 713,740</u>	<u>£ 2,568,656</u>	<u>£ 68,523</u>	<u>£ 3,930,477</u>
MF Global Finance Europe Limited allowed claims	£ -	£ 21,624,215	£ -	£ -	£ -	£ -	£ 21,624,215
Less: Distributions received	-	(973,090)	-	-	-	-	(973,090)
Total claim remaining at September 30, 2014	<u>£ -</u>	<u>£ 20,651,125</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 20,651,125</u>
MF Global Overseas Limited allowed claims	£ -	£ 54,787	£ -	£ -	£ -	£ -	£ 54,787
Less: Distributions received	-	(25,750)	-	-	-	-	(25,750)
Total claim remaining at September 30, 2014	<u>£ -</u>	<u>£ 29,037</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 29,037</u>
Total receivables in GBP at September 30, 2014	<u>£ -</u>	<u>£ 21,259,719</u>	<u>£ -</u>	<u>£ 713,740</u>	<u>£ 2,568,656</u>	<u>£ 68,523</u>	<u>£ 24,610,639</u>

In addition to the direct foreign currency exposure detailed above, the Debtors also have indirect exposure resulting from the Debtors’ claims against certain former MF Global affiliates, which in turn have asset recoveries with direct foreign currency exposure. The largest example is the Debtors’ combined general unsecured claims against MFGI, which has remaining pound sterling exposure due to its claims against the MF Global UK Limited 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, Taiwanese dollars, Australian dollars, Hong Kong dollars and Canadian dollars, amongst other currencies. The Debtors have not hedged any foreign currency exposure.

Note 7: 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, reduced, 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” refers to claims filed for potential pre-petition obligations, for which reconciliation of the claims have 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. During the period, omnibus objections 53, 54 and 55 were sustained with claims being subordinated, reclassified or withdrawn and objections to Claims #30 and #31 filed against Holdings Ltd. were sustained reducing claims subject to reconciliation by approximately \$54 million.
- “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. These balances include amounts allowed by the Intercompany Settlement as defined in the Second Amended Plan.

- “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.
- “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.
- “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.
- “Allowed claims – Other unsecured” represents all other currently allowed and unpaid unsecured claims filed for pre-petition obligations and are reported at the allowed values of the claims.
- “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.

Included in Claims Subject to Reconciliation are amounts claimed for which objections have been filed but not yet sustained by the Bankruptcy Court. As these 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 all currently outstanding objections. If the objections are not sustained, the claimed amounts will either remain in Claims Subject to Reconciliation or be reclassified to Allowed Claims, as appropriate. As of September 30, 2014, details of Claims Subject to Reconciliation by type of claim and the outstanding objections are as follows:

<i>Claims Subject To Reconciliation As of September 30, 2014</i>	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Market Services LLC	MF Global Capital LLC	MF Global FX Clear LLC	MF Global Holdings USA Inc.	Total
Admin	-	53,384	-	-	-	-	53,384
Secured	-	1,961,024	-	-	-	-	1,961,024
Priority	-	51,483	-	-	-	117,950	169,433
Convenience	414,758	2,495,729	-	-	-	1,181,113	4,091,600
Unsecured	-	41,567,983	2,113,795	6,769	5,657,792	9,542,252	58,888,590
Subordinated	1,085	22,094,153	-	-	-	1,986,436	24,081,673
Subtotal	415,842	68,223,755	2,113,795	6,769	5,657,792	12,827,751	89,245,703

<i>Outstanding Objections As of September 30, 2014</i>	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Market Services LLC	MF Global Capital LLC	MF Global FX Clear LLC	MF Global Holdings USA Inc.	Total
Admin	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-
Priority	-	-	-	-	-	11,725	11,725
Convenience	385,031	1,016,669	-	-	-	-	1,401,699
Unsecured	-	20,846,146	-	-	-	2,865,000	23,711,146
Subordinated	-	-	-	-	-	-	-
Subtotal	385,031	21,862,815	-	-	-	2,876,725	25,124,570

<i>Claims Subject To Reconciliation less Outstanding Objections As of September 30, 2014</i>	MF Global Finance USA Inc.	MF Global Holdings Ltd.	MF Global Market Services LLC	MF Global Capital LLC	MF Global FX Clear LLC	MF Global Holdings USA Inc.	Total
Admin	-	53,384	-	-	-	-	53,384
Secured	-	1,961,024	-	-	-	-	1,961,024
Priority	-	51,483	-	-	-	106,225	157,708
Convenience	29,727	1,479,060	-	-	-	1,181,113	2,689,901
Unsecured	-	20,721,837	2,113,795	6,769	5,657,792	6,677,252	35,177,444
Subordinated	1,085	22,094,153	-	-	-	1,986,436	24,081,673
Total	30,812	46,360,940	2,113,795	6,769	5,657,792	9,951,026	64,121,133

Note 8: 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 affiliate charges” refer to amounts owed between Debtors for post-petition obligations arising from the operating expenses of the Debtors’ estates.
- “Debtor affiliate borrowings” refer to secured amounts Holdings Ltd borrowed from Finance USA.

Note 9: 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 10: 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. During the quarter, the Plan Administrator revised the estimate of costs relating to affirmative litigations that the Plan Administrator expects to result in a potential recovery to the Estate, as well as the estimate of certain operating expenses and professional fees. The Plan Administrator may revise the estimate of future Plan Administration Expenses periodically, as necessary.

Note 11: Subsequent Events

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, 2014

	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) - (ii)

- (i) Certain of the Debtors' former officers, directors and employees filed various contingent, unliquidated claims for indemnification and advancement of defense costs (the "Indemnification Claims") against the Debtors in the Debtors' chapter 11 cases. With respect to certain of the Debtors' former officers and employees that were either never named as defendants in, or were dismissed from, various lawsuits and other proceedings (the "Non-Party Claimants"), on August 26, 2014 the Court approved a stipulation capping Indemnification Claims for the Non-Party Claimants at (i) \$0.4 million for claims incurred through August 11, 2014 and (ii) \$0.2 million for claims incurred after August 11, 2014. In addition, the Court entered an order (x) estimating certain other Indemnification Claims at \$0.00, (y) disallowing, subordinating and estimating at \$0.00 the Indemnification Claims of eight individuals named as defendants only in a class action or other actions alleging securities fraud and violations of the Securities Acts, and (z) estimating the Indemnification Claims of Bradley Abelow, Jon Corzine and Henri Steenkamp at \$5.0 million each.
- (ii) On July 18, 2014, Holdings Ltd. fully repaid its outstanding borrowings of \$35.0 million under the Exit Facility using proceeds from a \$35.0 million secured loan from Finance USA. The secured loan bears interest at 8.5% per annum. On August 6, 2014, \$2.0 million of this secured loan was repaid by Holdings Ltd. As of September 30, 2014, pursuant to the secured loan, Holdings Ltd. had outstanding indebtedness to Finance USA of \$33.0 million.