



For further information, please
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1 Company details

Company number 0 1 6 0 0 6 5 8

Company name in full MF Global UK Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Michael Robert

Surname Pink

3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town

County/Region London

Postcode E 1 4 5 G L

Country United Kingdom

4 Names of second and third Special Administrators

Second Special Administrator Richard Heis

Third Special Administrator Edward George Boyle

① Other administrator

Use this section to tell us about
another administrator.

5 Address of second and third Special Administrators

Building name/number 15 Canada Square

Street Canary Wharf

Post town

County/Region London

Postcode E 1 4 5 G L

Country United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of Special Administrators' progress report

6 Period of progress report

From date	^d 0	^d 1	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1	
To date	^d 3	^d 0	^m 1	^m 0	^y 2	^y 0	^y 2	^y 1	

7 Progress report

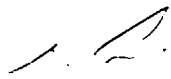
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d2

^d6

^m1

^m1

^y2

^y0

^y2

^y1

**Presenter information**

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

Contact name Ben Hamilton

Company name Interpath Advisory

Address 15 Canada Square

Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

DX

Telephone

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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- ☐ You have signed the form.

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DX 33050 Cardiff.

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interpath



MF Global UK Limited – In Special Administration

Special Administrators' Progress Report
for the six month period 1 May 2021 to 30
October 2021

26 November 2021

Notice: About this Report

This Report has been prepared by Richard Heis, Michael Robert Pink and Edward George Boyle, the Joint Special Administrators of MF Global UK Limited (in Special Administration solely to comply with their statutory duty under Rule 122 of the Investment Bank Special Administration (England and Wales) Rules 2011 to provide creditors and clients with an update on progress in the Special Administration and for no other purpose. This Report is not suitable to be relied upon by any person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in MF Global UK Limited (in Special Administration).

Rule 122 requires this Report to cover the six month period to 30 October 2021. However, where practicable we have provided updated data beyond 30 October 2021. Where this is the case we state the relevant date.

Any estimated outcomes for creditors or clients included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for clients, creditors or other stakeholders. Any person that chooses to rely on this Report for any purpose, or in any context, other than under Rule 122 of the Investment Bank Special Administration (England and Wales) Rules 2011 does so at their own risk.

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

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

We are bound by the Insolvency Code of Ethics.

Glossary of terms

Affiliate(s)	A company or companies within the MFG Holdings Group
CMP	Client Money Pool
Company/MFGUK	MF Global UK Limited of 15 Canada Square, London E14 5GL with company registration 01600658
Court	High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)
CVA	Company Voluntary Arrangement
CVA Proposal	The Special Administrators' proposal for a Company Voluntary Arrangement under Part I of the Insolvency Act 1986, dated 23 rd November 2017
CVA Supervisors	Richard Heis, Michael Robert Pink and George Edward Boyle of Interpath Ltd
Directors	Directors of the Company (as at 31 October 2011): Bradley Ira Abelow; Francis Kemper Cagney; David Moses Gelber; Richard Warren Moore; and Charles Graham Pendred
FCA	Financial Conduct Authority
Finance USA	MF Global Finance USA Inc.
FSCS	Financial Services Compensation Scheme
FX	Foreign exchange
Group	The Company and subsidiaries
GTA	German Tax Authority
ISDA	International Swaps and Derivatives Association

ISA	Insolvency Services Account at the Bank of England
Interpath	Interpath Advisory
MFG Holdings	MF Global Holdings Limited
MFG Inc.	MF Global Inc.
MFG Services	MF Global UK Services Limited (in administration)
Parallel Claim	A client's unsecured claim for the difference between the value of its contractual right against MFGUK and the value of its distributions from the CMP
Regulations	The Investment Bank Special Administration Regulations 2011
Rules	The Investment Bank Special Administration (England and Wales) Rules 2011
SIPA	Securities Investor Protection Act (US)
SIPA Trustee	Trustee of MF Global Inc./Mr J Giddens
SIPC	Securities Investor Protection Corporation (US)
Special Administrators/ISAs	Richard Heis, Michael Robert Pink and George Edward Boyle of Interpath Ltd
US	United States of America
Weil	Weil, Gotshal and Manges (London) LLP
\$/Dollar	United States dollar (unless otherwise stated)
€	Euro

The references in this Report to the Act, Rules or Regulations are to Schedule B1 of the Insolvency Act 1986 (as amended), the Investment Bank Special Administration (England and Wales) Rules 2011 and The Investment Bank Special Administration Regulations 2011 respectively.

All other capitalised terms have the same definition as those stated in the Client Asset Distribution Plan or CVA Proposal

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Introduction

Purpose of this Report

This Report provides creditors and clients with an update of progress in the Special Administration for the six month period from 1 May 2021 to 30 October 2021 in accordance with Rule 122 of the Investment Bank Special Administration (England and Wales) Rules 2011. The JSAs' previous progress report was issued on 27 May 2021 covering the period 31 October 2020 to 30 April 2021.

All statutory and supporting information is set out in the attached appendices.

Website

The MFGUK website <https://www.ia-insolv.com/case+INTERPATH+PBB01F5305.html> is regularly updated with the latest information about the Special Administration.

Background

Richard Heis, Richard Fleming and Michael Pink of Interpath were appointed JSAs of MFGUK on 31 October 2011, by order of the Court following an application by the Directors of the Company. Richard Fleming subsequently resigned as a JSA on 30 June 2016. On 10 May 2017 Edward Boyle was appointed as a JSA.

The functions of the JSAs are being exercised jointly and severally by the JSAs.

This appointment followed the filing for Chapter 11 bankruptcy protection in the US by MFG Holdings and Finance USA on 31 October 2011. Also, on 31 October 2011 the SIPC instigated the SIPA liquidation of MFG Inc by a petition to the US District Court for the appointment of a SIPA trustee.

The Company traded as a broker-dealer in commodities, fixed income, equities, foreign exchange, futures and options and also provided client financing and securities lending services.

Executive summary

Assets

- Based on legal advice, the JSAs continue to pursue the appeal against the GTA's rejection of the Estate's asset claim in respect of the pre-administration 2011 WHT reclaims. The JSAs filed their most recent legal brief in their claim on 1 October 2020. An oral hearing is expected to take place before the Fiscal Court of Cologne in due course, although no date for this has yet been set by the court.

Creditor claims

- Pursuant to the Order dated 25 July 2019, Weil Germany submitted the JSA's grounds of objection on 25 October 2019 and since this time there have been several rounds of written submissions from each party. These submissions are continuing. Please refer to our previous report dated 27 May 2021 for further information regarding these proceedings.
- The JSAs have agreed a claim of £3.4m following the lifting of a regulatory restriction order.
- The JSAs have continued to work on adjudicating a number of other smaller creditor claims during the period.

Interim House Estate dividend

- No dividends have been declared in the period. The cumulative amount distributed to creditors with agreed claims remains 90p in the pound, with the last dividend being the sixth interim dividend declared and paid on 24 August 2016.

Future dividends and illustrative financial outcome statement

- The JSAs last prepared a revised illustrative financial outcome as at 31 May 2018.
- The timing and quantum of any future distributions, beyond the sixth unsecured creditor dividend of 2.8p in the £ declared by the JSAs in August 2016 (bringing the cumulative total to 90.0p in the £) remains unclear, pending the resolution of complex issues in the special administration noted below.
- Further communications regarding future dividends will be issued via the JSAs' website.

Future distributions and illustrative financial outcome statement

Illustrative financial outcome statement

- No further dividends have been declared since August 2016 (when the JSAs declared and paid a sixth interim unsecured creditor dividend of 2.2p in the pound) bringing the cumulative dividends to unsecured creditors to 90.0p in the pound.
- On 30 July 2018 the JSAs published a revised illustrative financial outcome as at 31 May 2018. The revised illustrative financial outcome is available from the MFGUK website and provides further information regarding the range of returns available to unsecured creditors.

Asset summary

(£'000 equiv.)	Received in the period	Outstanding ^(a)
Foreign Exchange Antitrust claims	-	[366] ^(b)
German tax reclaims ^(c)	-	43,949
Other receipts/realisations	-	100
Total	-	44,415

Note: (a) For illustrative purposes only, This may not represent further recoveries or all amounts outstanding as reflects high case and does not represent the JSAs view as to future realisations.
(b) This amount is based on minimum estimated payment value provided by the class action claim administrators.
(c) Outstanding amounts relate to DTT reclaims and exclude €129 million in respect of EU Reclaims.

Source: JSAs' records

Foreign Exchange Anti Trust claim

- As reported previously the JSAs were advised they may be entitled to submit a claims in a foreign exchange antitrust settlements in the US. The JSAs subsequently submitted claims to protect the Company's position and these claims continue to be adjudicated on by the relevant claims administrators. In June 2021 one of the administrators for the largest of the class actions requested documents in support of the Company's claim, which were subsequently provided.
- While realisations are expected with regard to these claims, at present the JSAs do not know what the likely amount or timing of any settlements will be, although the JSAs have been advised that our payment with regard to the largest claim is estimated to be in excess of \$500,000. Any amounts realised will regard to these claims will be paid in either USD of Euros and so will be subject to FX risk.
- The JSAs have also been made aware of a further claim the Company may have with regard to a UK class action. The JSAs are in the process of reviewing the information available to protect any position in this this action. Again, at present the JSAs do not know what the likely amount or timing of any settlement will be from this action.

German tax reclaims

- The Company has submitted several claims against the GTA (the so-called Pending DTT Reclaims and the EU Reclaims) requesting relief from German withholding tax ("WHT") in connection with German share trades conducted prior to the Administration Date (in 2009, 2010 and 2011).
- Based on legal advice, the JSAs continue to pursue the appeal against the GTA's rejection of the Estate's asset claim in respect of the pre-administration 2011 WHT reclaims. The JSAs filed their most recent legal brief in their claim on 1 October 2020. The next step is an oral hearing which is expected to take place before the Fiscal Court of Cologne in due course, although no date for this has yet been set by the court..
- These reclaims are denominated in Euros and are therefore exposed to FX changes.

Creditor claims - Summary

Current Progress

- An analysis of final statements issued to customers, suppliers and Affiliates, and whether or not these claims have been agreed as at 30 October 2021 is provided below.

	Number	Value (£'000)	Change in period (£'000) ^(a)
Creditors			
Fully agreed proposals	1,932	618,453	3,368
Final proposals sent but not agreed	239	5,598	(3,368)
Parallel Claims – agreed	3,650	41,523	
Total trading proposals issued^(a)	5,505	665,574	
Reserve for CMP clients who lost their CMP entitlement	696	1,002	
Reserve for Dormant Accounts	1	1,323	
Total trading statements	6,204	667,899	
Other			
MFG Inc – Agreed ^(b)	1	459,665	
Other affiliates – Proposals Agreed	15	133,688	
Other affiliates – Proposals not yet issued	3	384	
Suppliers – Proposals Agreed	245	14,716	
Suppliers – Proposals not yet issued	22	823	
German introducing broker claimants – Agreed	334	19,156	
German introducing broker legal fees – Proposal not yet issued	1	206	
Provision for Potential GTA Claw Back Claim	1	45,304	
Sub-total	6,824	1,341,841	
Amounts settled via set off	(5)	(349,662)	
Total	6,819	992,179	

Notes: (a) A number of Clients who have received Parallel Claims also hold other NONSEG trading claims. As a result, the total number of clients has not increased by the full number of Parallel Claims agreed.
(b) The MFG Inc Settlement included an element of Client Assets and the agreement of an unsecured claim.

Source: Special Administrators records

Creditor claims – German Tax and Supplier claims

German Tax

- In August and September 2018, the GTA and DB, respectively, submitted applications for a stay of their appeals against the rejection of their proofs of debt pending the resolution of the GTA's claim in Germany (the "Stay Applications"). A two-day substantive hearing in respect of questions as to the appropriate jurisdiction for the resolution of certain matters relevant to the GTA and DB Appeals took place on 28 and 29 January 2019.
- As reported previously, the Stay Application filed by the GTA has been allowed so that, in effect, the dispute is to be referred to the German Courts. Pursuant to the Order dated 25 July 2019, Weil Germany submitted the JSA's grounds of objection on 25 October 2019, and since this time there have been several rounds of written submissions from each party. These submissions are continuing. Further, on 26 August 2021, the JSAs filed an appeal against the GTA's claim for interest in connection with its claim in Germany. For further information regarding these proceedings please refer to our previous report dated 27 May.

Proposals not agreed or not yet issued

- During the period the regulatory restriction order on a claim of approximately £3.4m was lifted allowing the JSAs to agree the claim.
- Included in this category are creditors with claims totalling £4.5 million who have already received a large portion of their claim value as deemed distributions as a result of transferring their positions to new brokers shortly after MFGUK entered into Special Administration.
- The remaining balance of £1.1 million includes a number of creditors who have never returned their settlement proposal.

Reserves

- The JSAs continue to reserve for potential claims of former customers who have never submitted a claim form. Approximately £1.3 million is reserved in respect of Dormant Accounts, and £1.0 million is reserved in respect of a CMP Clients who lost their CMP entitlement

Creditor claims – Affiliate, German Introducing Broker and FSCS claims

Affiliates

- The JSAs continue to adjudicate the final portion of the MFG Services claim and a further two claims received from affiliates.

German Introducing Broker Claimants

- A connected claim in respect of professional fees totalling €0.2 million received from the lawyer who, prior to our appointment, previously acted for MFGUK in the German Courts on these matters remains to be agreed. MFGUK has obtained legal advice on the extent to which these fees are payable.

Claims assigned to the Financial Services Compensation Scheme

- The JSAs continue to work with the FSCS to reconcile records of all claims assigned to the FSCS.
- To date 2,498 customers have assigned claims to the FSCS to date. The JSAs have been in dialogue with the FSCS since the early stages of the Special Administration. A protocol has been established whereby the JSAs provide information to the FSCS to assist it in its assessment of eligibility. The determination of whether a claim is protected and therefore entitled to compensation is the decision of the FSCS.
- The FSCS will compensate up to £50,000 for losses to eligible claimants. As a result, the majority of customers who have assigned their claim to the FSCS have now recovered their claim in full.
- To date, payments totalling £43.8 million (combined client and creditor distributions) have been made to the FSCS with regard to claims assigned to them.

Operational matters and unpaid CMP Distributions

IT

- The stability of IT systems remains a priority and continues to be maintained whilst steps continue to be taken in parallel to implement cost savings through the decommissioning of non-essential applications/services and consolidation of the IT estate. Some key systems are still likely to be retained for a significant period as there will be remaining dependencies on them to provide support for claims analysis and resolution and to meet regulatory/legal requirements. At the appropriate time, plans will be prepared and implemented for the relocation of the remaining MFGUK equipment within Interxion (the third party Data Centre).
- The MF Global IT department has been reduced from 132 staff at appointment in 2011 to a single contractor now. This contractor has been retained to provide ongoing support for the systems, communications and infrastructure previously used by MFGUK and still required under the Special Administration.

Human Resources

- There are no employees. Only one specialist contractor remains, whilst ad hoc contractors are also utilised as required for specific tasks, such as providing assistance with the Foreign Exchange Anti Trust claims. Ongoing requirements are periodically considered to ensure a cost effective wind down of the MFGUK estate as a whole.

FCA de-registration

- Following settlement of the final Client Asset claim, the JSAs sought and received confirmation from the FCA that MFGUK was de-registered with effect from 6 November 2020. The JSAs are now reviewing the process required to wind up its subsidiary, Clachan Nominees Limited, which previously held assets in trust for MF Global leading to a decrease in the annual costs incurred by the estate.

Unpaid CMP distributions

- Any client wishing to claim their unpaid CMP distributions are still entitled to do so from the ISA. A request for payment needs to be made to the Insolvency Service directly, however in the first instance please make contact with the MF Global Claims Team on +44 (0)20 7785 0308 or mfglobalclaims@interpathadvisory.com who will look to assist with this process.

JSAs' Costs

JSAs' remuneration

A receipts and payments account for the period from 1 May 2021 to 30 October 2021 is attached at Appendix 2.

A detailed analysis of the JSAs' time and costs for the various areas of work carried out in the six months to 30 October 2021 is attached as Appendix 4.

The JSAs continue to operate under a discounted fee structure agreed with the Creditors' Committee as set out in Appendix 5.

The statutory provisions relating to remuneration are set out in Rule 196. Further information is given in the Association of Business Recovery Professionals' publication A Creditors Guide to Administrators' Fees, which can be found at the R3 website at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>. However if you are unable to access this guide and would like a copy please email mfglobalclaims@Interpathadvisory.com.

It is for the Creditors' Committee to determine the basis on which the JSAs' remuneration is to be fixed. At the request of the Creditors' Committee the JSAs have engaged an independent fee reviewer to review the costs of the Special Administration and report to the Creditors' Committee.

In the six month period to 30 October 2021, we have incurred time costs of £311,521.50 representing 556 hours at an average hourly rate of £560.64. This also includes work undertaken in respect of IT, corporate tax, VAT, employee and pensions from Interpath in-house specialists. Average monthly time costs during the six month period to 30 October 2021 were approximately £60,000 per month.

Total time costs on MFGUK to 30 October 2021 are £110,252,492 of which a total of £110,004,774 has been drawn on account as at 30 October 2021.

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report. Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court. The full text of the relevant rules can be provided on request

Disbursements

No disbursements have been incurred in the six month period to 30 October 2021.

Disbursements incurred to date total £4,857,862 which have been paid in full as at 30 October 2021.

Payments to Interpath affiliates

No costs have been incurred during the 6 month period from Interpath affiliates for professional services. To date total costs of £774,368 have been incurred from Interpath affiliates which been paid in full as at 30 October 2021.

No costs have been incurred during the 6 month period with regard to seconded staff from Interpath Affiliates. To date total costs of £243,250 have been incurred for seconded staff which have been paid in full.

Appendices

Statutory Information

Appendix 1

	— MF Global UK Limited (in Special Administration) — 01600658 — MF Global — MF Global Direct — MF Global Markets — 106052 — 27 November 1981 — 15 Canada Square, London, E14 5GL — 8 Salisbury Square, London, EC4Y 8BB — 5 Churchill Place, Canary Wharf, London E14 5HU — Sugar Quay, Lower Thames Street, London EC3R 6DU — High Court of Justice, Chancery Division, Companies Court — 9527 of 2011 — The EC Regulation does not apply — Richard Heis, Michael Pink and Edward Boyle — 15 Canada Square, London, E14 5GL — 31 October 2011 — Court — In accordance with Rule 8 (3) (e), any acts required or authorised under all enactment to be done by either or all of the Special Administrators may be done by all or any one or more of the persons for the time being holding that office. — Bradley Ira Abelow, David Moses Gelber, Francis Kemper Cagney, Richard Warren Moore and Charles Graham Pendred — Vicki Kong — Wholly owned by MF Global Holdings Europe Limited
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Special Administrators' abstract of receipts and payments for the period 1 May 2021 to 30 October 2021 and 31 October 2011 to 30 October 2021

Appendix 2

	Sterling (GBP '000)		US Dollar (USD '000)		Euro (EUR '000)		Various other currencies (GBP Equiv '000)	
	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021
Receipts								
Sale of Fixed Inc. (bonds, T-Bills, etc.)	-	42,423	-	232,240	-	127,216	-	946
Sale of Equities – Stocks, Investments and Other Assets	-	70,677	-	29,338	-	29,858	-	8,483
Termination of Other Market Contracts	-	8,803	-	11,860	-	8,199	-	1,652
Termination of ISDA Contracts	-	4,319	-	132,849	-	2,458	-	-
Collateral/Cash from Banks	-	242,080	-	115,867	-	40,960	-	19,248
Collateral/Cash from Exch/Cl Hse/Brokers	-	33,897	-	228,764	-	171,282	-	4,465
Other Receipts (see page 18)	13	39,333	0	62,460	-	8,016	-	3,736
VAT control	85	27,378	-	-	-	-	-	-
Cost allocations between Estates	-	54,935	-	14	-	-	-	-
Gross interest	35	12,055	0	186	-	77	-	142
Output VAT (payable)	-	1,615	-	-	-	-	-	-
Total Receipts	133	537,512	-	813,579	-	388,068	-	38,672

Special Administrators' abstract of receipts and payments for the period 1 May 2021 to 30 October 2021 and 31 October 2011 to 30 October 2021(cont.)

Appendix 2

	Sterling (GBP '000)		US Dollar (USD '000)		Euro (EUR '000)		Various other currencies (GBP Equiv '000)	
	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021	Period total 1 May 2021 - 30 Oct 2021	Cumulative total to 30 Oct 2021
Payments								
Dividends to non-segregated creditors ^(a)	(3,031)	(787,586)	-	(11,181)	-	-	-	-
Special Administrators' fees and disbursements	(474)	(115,073)	-	-	-	-	-	-
CVA Supervisors' fees	-	(140)	-	-	-	-	-	-
Other Payments (see page 18)	(386)	(29,560)	(2)	(11,701)	-	(921)	-	-
Legal and Professional Fees	(482)	(50,653)	-	(40)	-	(446)	-	(1)
Transfer to CMP	-	-	-	(192,508)	-	-	-	-
Set off with Estate	-	(63,991)	-	-	-	-	-	-
PAYE and NIC	-	(21,359)	-	-	-	-	-	-
Input VAT (receivable)	(281)	(29,579)	-	(2)	-	-	-	-
Dividends to preferential creditors	-	(5)	-	-	-	-	-	-
Irrecoverable VAT	-	(8,631)	-	-	-	-	-	-
Wages and Salaries	-	(26,607)	-	-	-	-	-	-
Settlement with Pension Trustees	-	(28,275)	-	-	-	-	-	-
Total Payments	(4,636)	(1,161,461)	(2)	(215,432)	-	(1,367)	-	(1)
Net position	(4,503)	(623,949)	(2)	598,147	-	386,701	-	38,671
Inter account currency transfers	-	731,899	-	(597,515)	-	(386,701)	-	(38,671)
Total cash movement for period	(4,503)	107,950	(2)	632	-	0	-	-

NOTE: (a) Distributions presented here will not reconcile with those discussed elsewhere in this report due to timing differences and deemed distributions (e.g. transfers)
 (b) Amounts are translated using the following rate GBP:USD 1.3678.

Source: JSAs' records.

30-Oct-21	GBP equiv. '000	Local currency '000
GBP	107,950	107,950
USD ^(b)	462	632
Total cash in hand	108,412	

Special Administrators’ abstract of receipts and payments for the period 1 May 2021 to 30 October 2021 and 31 October 2011 to 30 October 2021 (cont.)

Appendix 2

Notes:

Statement of Affairs

There are no 'estimated to realise' figures as the Directors detailed realisations of all asset categories as 'uncertain' in their Statement of Affairs.

Currency exchange

The JSAs operated bank accounts in 18 different foreign exchanges to allow for the recovery of assets held in foreign currency, although following recovery the majority of the foreign exchange bank accounts are now closed. The sterling equivalent totals in the receipts and payments accounts are prepared using the 30 October 2021 foreign exchange spot rates. The JSAs have periodically converted foreign currency balances received into GBP (for the unsecured estate) and USD equivalent (for the CMP) in order to minimise exposure to movements in foreign exchange rates.

Receipts – Other

(GBP equiv. '000)	Current period
Income on client charges	13
Dividend income	0
Total	13

Source: JSAs' Records

Payments – Other

(GBP equiv. '000)	Current period
IT suppliers	(227)
Subcontractors	(117)
Storage costs	(27)
Insurance of assets	(13)
Sundry expenses	(2)
Telephone/Telex/Fax	(1)
Bank charges	(0)
Total	(386)

Source: JSAs' Records

Special Administrators' abstract of receipts and payments for the period 1 May 2021 to 30 October 2021 and 31 October 2011 to 30 October 2021 (cont.)

Appendix 2

Notes: (cont.)

Special Administrators' Fees and Disbursements

£	1 May 2021 to 30 Oct 2021	Total to 30 Oct 2021
Special Administrators' fees (post appointment)	470,815	110,004,774
Special Administrators' fees (pre-appointment)	-	206,891
Disbursements		
MFG Services Administrators' fees	-	2,395,959
Fees paid to Interpath affiliates for professional services	-	743,358
Fees paid to Interpath affiliates for seconded staff	-	243,250
Disbursements – Travel, accommodation and subsistence	3,479	697,228
Other Disbursements (predominantly software maintenance)	-	781,546
Total disbursements	3,749	4,855,738
Total fees and disbursements	474,294	115,073,006

Source: JSAs' Records.

Interest

All bank accounts held attract a market rate of interest. Where possible, one or three month money market deposits have been placed on significant cash balances in order to attract more favourable interest rates.

Recharge of non-segregated costs

All costs incurred with regard to the Special Administration were initially funded out of the House Estate. A proportion of these costs were re-allocated to the CMP which reimbursed the House Estate during the period. As agreed with the Creditors' Committee, the allocation of costs was based on a pro-rata of the gross assets of each estate.

Special Administrators' abstract of receipts and payments for the period 1 May 2021 to 30 October 2021 and 31 October 2011 to 30 October 2021 (cont.)

Appendix 2

Notes: (cont.)

Additional information

Creditors are advised that any additional information regarding other expenses charged for the period is available from the Special Administrators upon request by any Secured Creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 201. This request must be made within 21 days of receipt of the attached Report. In addition creditors are reminded that the quantum can be challenged by any Secured Creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt or a client with the concurrence of clients representing at least 10% of the total claims in respect of Client Assets held by making an application to Court in accordance with Rule 202 within eight weeks of receipt of the attached Report. The full text of these rules can be provided upon request.

Cash at Bank

The realisation of MFGUK's assets and recovery of house and non-segregated monies means that the Special Administrators hold significant cash balances at any point in time.

Currency risk has largely been addressed by the conversion of foreign currencies to Sterling in the case of the House Estate, with only minimal balances held in other denominations to meet operational needs.

The Special Administrators have continued to invest MFGUK's cash with the objective of protecting capital rather than searching for maximum investment returns. The Special Administrators' clearing bank services are provided by four high street banks, and cash for the House Estates has been deposited (in the form of current accounts, short term deposits or money market deposits) in varying amounts with these banks for diversification purposes. The banks were selected on the basis of their credit ratings and lack of conflicts and this continues to be monitored.

Special Administrators' abstract of other costs incurred but not fully paid as at 30 October 2021

Appendix 3

(£)	Incurred and unpaid	Amounts paid post 30 October 2021	Outstanding
Special Administrators' fees and disbursements:			
— Fees	247,718	-	247,718
— Disbursements	-	-	-
Legal fees and other costs:			
— Weil	140,574	-	140,574
— Counsel	-	-	-
— Other costs	53,186	(26,583)	26,603.40
Total	441,478	(26,583)	414,895

The table above show costs accrued in the six months to 30 October 2021 that have not been fully paid. The costs are shown net of any VAT.

Other costs is comprised of IT and storage costs.

In addition, a full breakdown of payments made during the period can be found in the schedule of receipts and payments at Appendix 2.

Creditors are advised that any additional information regarding other expenses charged for the period is available from the JSAs upon request by any Secured Creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 201. This request must be made within 21 days of receipt of the attached Report. In addition creditors are reminded that the quantum can be challenged by any Secured Creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt or a client with the concurrence of clients representing at least 10% of the total claims in respect of Client Assets held by making an application to Court in accordance with Rule 202 within eight weeks of receipt of the attached Report. The full text of these rules can be provided upon request.

Analysis of SIP9 for the period 1 May 2021 to 30 October 2021

Appendix 4

	Managing Director /Partner/Director	Manager	Administrator	Support	Total hours	Time cost (£)	Average hourly rate (£/Hr)
Cashiering							
General (Cashiering)	0.1	1.0	31.10	0.9	33.1	9,322.00	281.63
Reconciliations (and IPS accounting reviews)	-	2.3	13.9	-	16.2	4,575.50	282.44
General							
Books and records	-	0.4	-	-	0.4	224.00	560.00
Fees and WIP	5.5	16.9	-	-	22.4	14,331.50	639.80
Statutory and compliance							
Checklist and reviews	0.5	7.3	5.9	-	13.7	6,376.00	465.00
Strategy documents	9.0	14.3	-	-	23.3	15,750.50	675.99
Tax							
Post appointment corporation tax	1.2	1.3	-	-	2.5	1,930.00	772.00
Post appointment VAT	23.4	11.0	7.0	-	41.4	7,691.00	643.54
Committees							
Reports	3.2	4.6	-	-	7.8	5,456.00	699.49
Creditors and claims							
Agreement of unsecured claims	0.2	27.7	-	-	27.9	15,549.50	557.33
Assignment of claims – non FSCS	-	17.6	-	-	17.6	9,806.00	557.16
General correspondence	6.9	56.5	12.0	-	75.4	41,117.50	545.69

Analysis of SIP9 for the period 1 May 2021 to 30 October 2021

Appendix 4

	Managing Director / Partner / Director	Manager	Administrator	Support	Total hours	Time cost (£)	Average hourly rate (£/Hr)
Creditors and claims (cont.)							
Legal claims	11.1	-	-	-	11.1	1,105.00	850.00
Payment of dividends	0.6	-	-	-	0.6	540.00	900.00
Pre-appointment overseas tax	9.7	-	-	-	9.7	8,500.00	876.29
Statutory reports	4.1	30.1	25.5	-	59.7	27,621.00	462.66
Trading							
Engagement Management	5.3	50.0	-	-	55.3	32,220.00	582.64
IT, Systems, Cut Off and Information	1.0	65.6	-	-	66.6	45,198.00	678.65
Purchases and trading costs	3.9	21.9	21.0	-	59.7	22,334.00	477.22
Asset realisation							
Cash and investments	0.3	2.0	-	-	2.3	1,631.00	709.13
Insurance	-	0.5	-	-	0.5	280.00	560.00
Other assets	0.5	20.90	-	-	21.40	12,141.50	567.36
Total in period	86.45	351.90	116.40	0.9	555.65	311,521.50	560.64

Summary of charge out rates

	To 30 Oct 2011	31 Oct 2011 to 31 Dec 2011	1 Jan 2012 to 31 Dec 2012	1 Jan 2013 to 31 Dec 2013	01 Jan 2014 to 31 Dec 2014	1 Jan 2015 to 31 Dec 2016	1 Jan 2017 to 31 Dec 2018	1 Jan 2019 to 30 Jun 2021	1 Jul 2021 to present
£/Hour									
Restructuring, Corporate Finance, Tax and any other relevant in-house advice									
Managing Director/Partner/Associate Partner	945	750	725	745	745	770	810	850	900
Director	895	700	635	660	660	680	710	745	785
Senior Manager	855	540	525	545	575	600	630	660	700
Manager	695	430	420	435	460	485	510	535	560
Senior Administrator/Assistant Manager/Consultant	505	350	310	325	345	350	365	385	405
Administrator (Grade 2 and higher)	390	280	250	260	275	285	300	315	330
Administrator (Grade 1)	390	195	175	185	200	210	220	230	240
Support staff	135	110	100	100	110	115	120	130	135
Intern	45	50	50	50	55	55	55	55	57

Note: All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time in units of six minutes directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration function is not charged directly to the assignment but is reflected in the level of charge out rates.

Source: JSAs' records.

Summary of disbursements for the period 1 May 2021 to 30 October 2021

	£
Category 1	
Accommodation and subsistence	
Travel	
Other (predominantly ICT costs)	
Printing and Consumables	
Category 2	
Software Maintenance	
Professional services provided by other Interpath firms	
Total disbursements	

Source: JSAs’ records.

Interpath Restructuring policy for the recovery of disbursements

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

Expenses: These are any payments which are neither an office holder’s remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

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

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



This Report has been prepared by Richard Heis, Michael Robert Pink and Edward George Boyle, the Joint Special Administrators of MF Global UK Limited (in Special Administration solely to comply with their statutory duty under Rule 122 of the Investment Bank Special Administration (England and Wales) Rules 2011 to provide creditors and clients with an update on progress in the Special Administration and for no other purpose. This Report is not suitable to be relied upon by any person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in MF Global UK Limited (in Special Administration).

Any estimated outcomes for creditors or clients included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for clients, creditors or other stakeholders. Any person that chooses to rely on this Report for any purpose, or in any context, other than under Rule 122 of the Investment Bank Special Administration (England and Wales) Rules 2011 does so at their own risk.

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

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

We are bound by the Insolvency Code of Ethics.

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