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To: **All creditors who have proved their debts**

To: **Financial Conduct Authority**

15 April 2014

Dear Sirs

MF Global UK Limited (in special administration) (“MFGUK”)

Notice of declaration of a dividend – Rule 179 of The Investment Bank Special Administration (England and Wales) Rules 2011

As you are aware, Richard Heis, Michael Pink and Richard Fleming were appointed as the administrators (the “**Administrators**”) of MFGUK on 31 October 2011.

This notice has been issued to all known creditors of MFGUK. However, distributions will only be paid to parties who have had their claim admitted for dividend purposes in the relevant estate. Should you be uncertain which estate your claim is against, please refer to your settlement agreement proposal.

Third Interim Dividend to Unsecured Creditors

Pursuant to Rule 179 of The Investment Bank Special Administration (England and Wales) Rules 2011 (the “**Rules**”), notice is hereby given that the Administrators declare a third interim dividend of 11 pence in the pound to all unsecured creditors whose claims have been admitted for dividend purposes. This brings the cumulative dividend to 76 pence in the pound.

Payment of the third interim dividend will be made on or about 16 April 2014 to all unsecured creditors whose claims have been admitted for dividend purposes.

As set out at page 13 of the Administrators’ Estimated Outcome Statement dated 7 March 2014 (available at www.kpmg.co.uk/mfglobaluk) this third interim dividend on unsecured claims brings the total amount being made available for distribution to £875 million. In determining that amount available for distribution and setting the third interim distribution rate, the Administrators have made the following calculations and adjustments:

- The aggregate realisations, net of costs paid, under the control of the Administrators in MFGUK’s estate which has been raised from the recovery or sale of MFGUK’s assets is £1,085 million; deducted from this were:
 - approximately £43 million provision for future costs of the Administration;



- approximately £17 million of provisions for certain “holdbacks” required by agreements entered into with financial institutions from which cash has been recovered;
 - an approximate £116 million deduction in respect of MF Global Inc’s client asset claim pursuant to the terms of the settlement agreement entered into between MFGUK and MF Global Inc; and
 - approximately £33 million of provisions for potential claims arising from disputed client money claims and a general contingency for unexpected events.
- The aggregate creditor claim amount was adjusted to include:
 - approximately £99 million provision for potential shortfall and parallel claims arising as a result of the Shortfall Judgment; and
 - approximately £100 million provision for claims which have not yet been agreed by the Administrators.

In each of the 6 monthly progress reports, the Administrators included a receipts and payments account for that respective period. These, along with the various notes set out in them, provide details of the costs of the special administration and all principal payments made by the Administrators in the special administration. Copies of the 6 monthly reports are available at www.kpmg.co.uk/mfglobaluk.

Pursuant to Rule 179(2)(c) of the Rules, the Administrators must state in this notice the value of the prescribed part. The prescribed part, being a sum which the Administrators are required to set aside from the realisation of assets which are subject to a floating charge, does not apply in this special administration as no sums were due to secured creditors on appointment. As such, the value of the prescribed part is zero.

The Administrators anticipate that there will be further dividend payments in due course, however both the timing and quantum of those dividends are uncertain. Please monitor the Administrators’ website (www.kpmg.co.uk/mfglobaluk) for further updates in this regard.

Third Interim Dividend to Client Money Claimants

In addition, the Administrators confirm that a third interim dividend of 8.5 cents in the dollar will be paid to all client money claimants whose client money claims have been admitted for distribution purposes, bringing the cumulative amount distributed to client money claimants with agreed claims to 78.5 cents in the dollar.

General

You have received this notice because you have proved for your debts and therefore may be a creditor of MFGUK. Receipt of this notice does not, however, mean that your claim has been admitted for dividend purposes or that you will receive payment in respect of your claim. Please be advised that any claim which was received by the Administrators on or before 11 April 2014 (being the last date for proving) and which has not yet been admitted or rejected, is being reserved for pending the claim being determined.



Should you have any questions in relation to this notice or require a hard copy of any of the documents described above, please contact the Administrators' staff using the details set out below:

Email: mfglobalclaims@kpmg.co.uk

Telephone Number: +44 207 785 0308

Address: MF Global UK Limited (in special administration)
MF Global Claims
5 Churchill Place, Canary Wharf
London, E14 5HU
United Kingdom

Yours faithfully

Mike Pink
Joint Administrator of MF Global UK Limited (in special administration)

Richard Heis, Michael Robert Pink and Richard Dixon Fleming were appointed as joint special administrators of MF Global UK Limited.

The affairs, business and property of MF Global UK Limited (in special administration) are being managed by the joint special administrators who contract as agents of MF Global UK Limited (in special administration) without personal liability.

Richard Heis and Michael Robert Pink are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. Richard Dixon Fleming is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

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