

MF GLOBAL SINGAPORE PTE. LIMITED  
Company Registration No. 198403253G  
(Liquidators Appointed)  
c/o KPMG Services Pte. Ltd.  
16 Raffles Quay #22-00  
Singapore 048581

## **MEDIA RELEASE**

### **MF GLOBAL SINGAPORE CREDITORS MAY GET AS MUCH AS 91% OF MONEY BACK**

- Most customers may get up to 97% of money back depending on products traded
- No evidence so far of improper use of customer money in Singapore
- KPMG partners confirmed as Liquidators

**SINGAPORE, 28 May 2012** – Creditors of MF Global Singapore Pte. Limited (Liquidators Appointed) may get as much as 91% of their money back and most customers up to 97% depending on products traded, Liquidators at KPMG Services Pte. Ltd. said at a creditors meeting today.

These estimates are based on an optimistic scenario where money owing from MF Global affiliates overseas and money restricted overseas can be recovered; the actual payout to individual creditors and customers may vary.

In a pessimistic scenario where it is assumed the funds overseas cannot be returned, creditors may only get 61 cents to the dollar, and most customers up to 93 cents to the dollar.

Customers who are entitled to be paid out of the customer funds collected by the Provisional Liquidators, have since February been paid up to 90% of their entitlements. To date, this is the highest payout among all MF Global affiliates that are in administration or liquidation. As of today, around 2,900 customers have received interim distribution totaling about US\$266 million.

At the creditors meeting held at the Orchid Country Club, three KPMG partners – Messrs Chay Fook Yuen, Bob Yap Cheng Ghee and Tay Puay Cheng – were confirmed as the joint and several Liquidators of MF Global Singapore.

They were appointed Provisional Liquidators on 1 November 2011, the day after MF Global Holdings Ltd filed for Chapter 11 in one of the largest bankruptcies in America. On the same day of the Chapter 11 filing, regulators directed MF Global Singapore to stop entering into new transactions except for reducing and closing trading positions.

Overall, a total of US\$483.9 million was recovered as at 31 March 2012, of which US\$427.4 million are customer segregated funds and US\$56.5 million are company funds. Customer funds with overseas affiliates of MF Global Singapore totaling more than US\$50 million remain to be collected. Customer segregated funds are held in trust and protected by law and cannot be used to pay off the Company's debts while company funds are available for distribution to creditors and shareholders.

The progress in recovering customer funds was hampered by outstanding trade information from counterparties, correspondent brokers and clearing members. For example, affiliates of MF Global Singapore which are in various stages of insolvency, were unable to readily respond with outstanding trade information.

Liquidator Mr Bob Yap said "In the last seven months, we have worked round the clock to recover as much money as quickly as possible for the customers and creditors of MF Global Singapore. This is one of the biggest and most complex bankruptcies in Singapore because of the number of customers involved and the multi-jurisdictional nature of the business.

"The process of sorting out customers from creditors and customers' entitlements was complex and laborious. But we are pleased that we've recovered much of what can be recovered and customers are getting most of their money back. Now that our appointment has been confirmed by the creditors, we look forward to maximising their returns as we continue to carry out an orderly winding up of the company's affairs."

The Liquidators said in their forensic examination of the company's affairs conducted thus far, they have found no evidence of missing customer segregated funds or money being used improperly.

MF Global Singapore had over 6,000 customers with complex trading positions in futures and options, foreign exchange and bullion and contracts for differences. The Chapter 11 filing of MF Global Inc had triggered a series of insolvencies which led to force-closures of customers' trading positions, and as well as restricted transfers of positions and margins. To date, the Liquidators have not received complete close out prices from relevant counterparties; where close out prices have been received, the Liquidators are in the process of verifying and reconciling such prices.

Employees of the company were paid up to the statutory cap on preferential payments for salaries of S\$7,500 or five months salary (whichever is the lower). They have submitted claims amounting to S\$6.6 million for salaries, bonuses and expenses. A total of 145 out of 165 staff in Singapore were terminated from employment on 30 November 2011, the rest put on short-term contracts till February 2012, while seven are currently retained to assist the Liquidators in the winding down of the company.

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Messrs Chay Fook Yuen, Bob Yap Cheng Ghee and Tay Puay Cheng  
For and on behalf of  
MF Global Singapore Pte. Limited  
(Liquidators Appointed)